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COFFEE & TEA INDUSTRIES

and The Flavor Field

78th YEAR

MAY 1955

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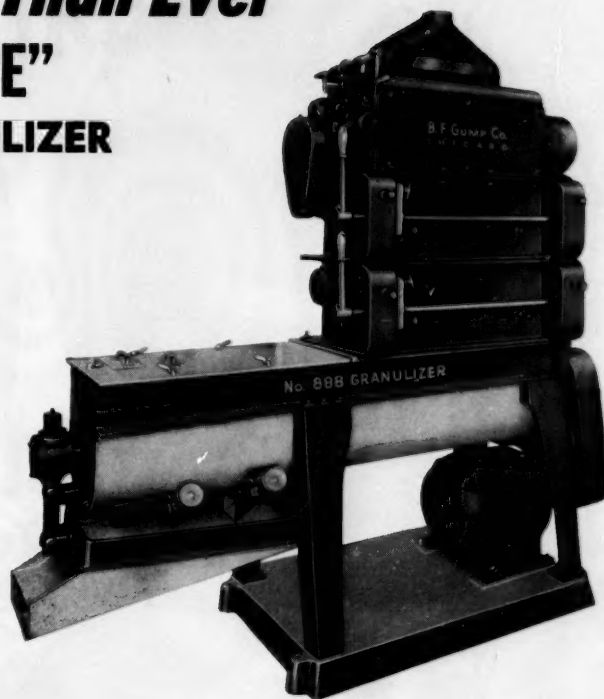
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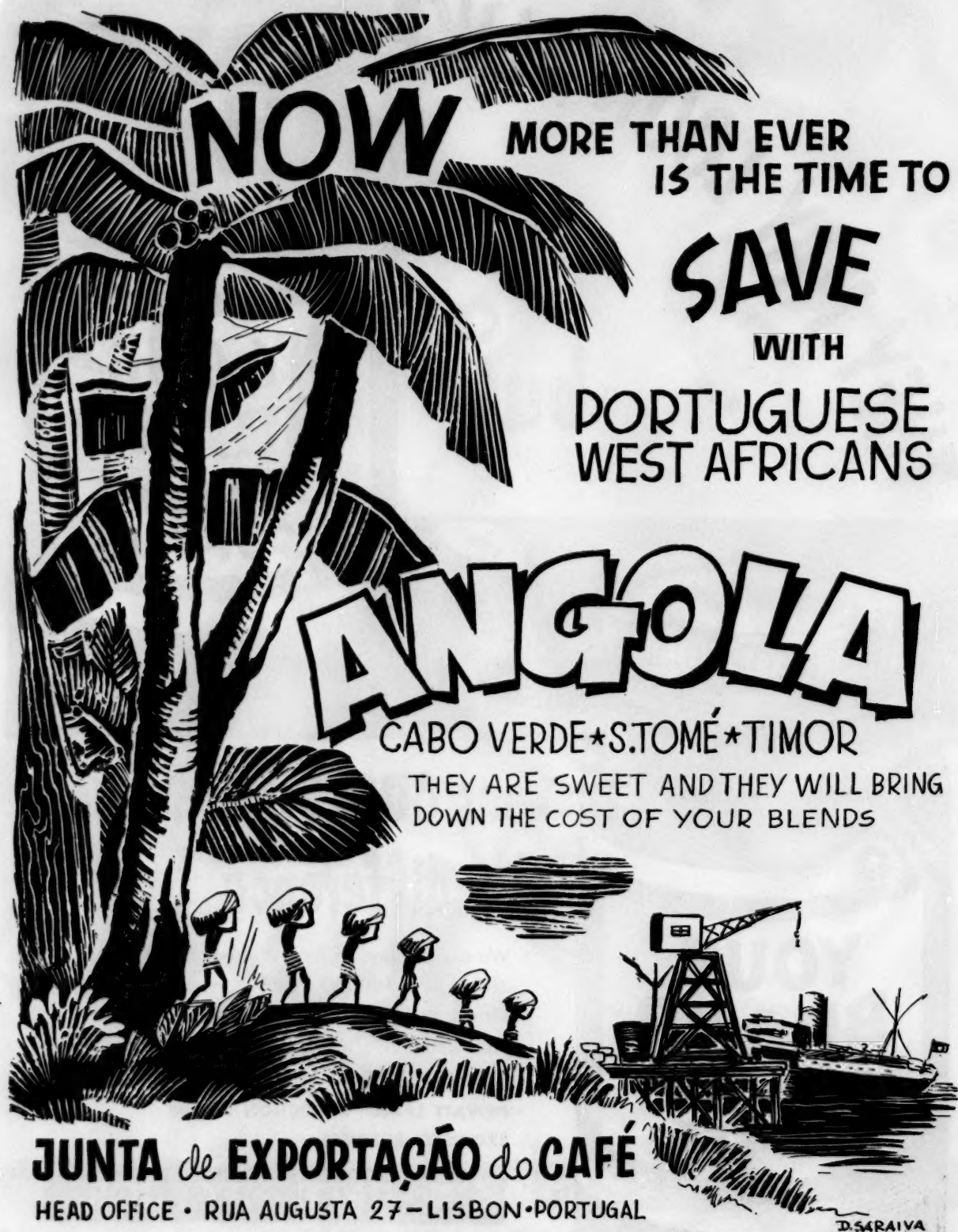
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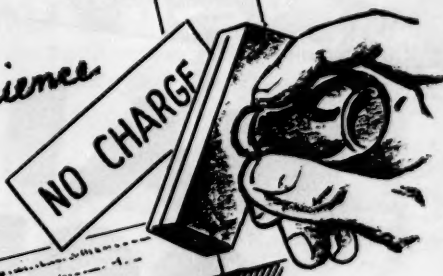
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DOWN THE COST OF YOUR BLENDS

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D. SARAIVA

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A background of coffee beans, with a white banner tilted across the middle containing the text 'HAITI COFFEE' and a small logo of a bird with a flower in its beak.

**HAITI
COFFEE**

is preferred--because of its

- True Characteristics of Mild Coffee
- Cultivation in High Altitudes
- Preparation by Best Known Methods

Plus: Expert Care in Final Removal of Defects

DEPARTMENT OF AGRICULTURE

PORT AU PRINCE, HAITI



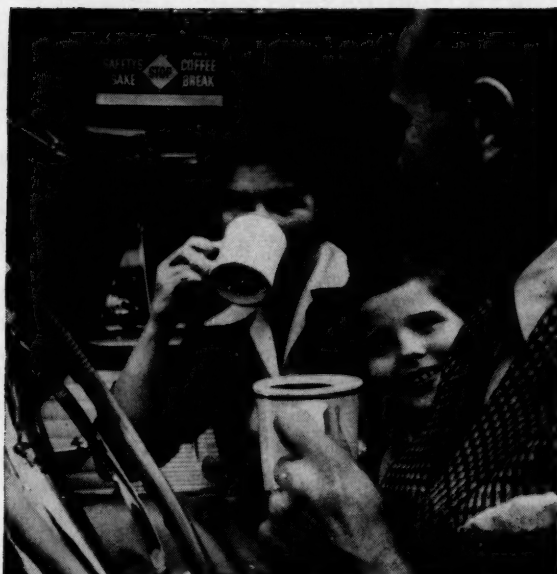
P. A. C. B. NEWS

Pan-American Coffee Bureau, 120 Wall Street, New York 5, N. Y.
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Join the new "Coffee-break" campaign backing highway safety



Safe driver stops for a "Coffee-break"

The road is hotting, the weather hot. As the coffee slip by, he watches the speed. It's a matter of time, he knows, before he'll be in a hot spot. And he knows what to do. He stops for a "Coffee-break." Suddenly on his trip, safety is his, he stops for a "Coffee-break." Suddenly on his trip, safety is his, he stops for a "Coffee-break." Suddenly on his trip, safety is his, he stops for a "Coffee-break."

There is nothing as satisfying as a cup of good coffee.

Full Page — Life and Saturday Evening Post

The Pan-American Coffee Bureau is again taking the lead in helping the coffee industry in the nationwide effort to reduce automobile accidents during the vacation season. The Fraternal Order of Police and safety organizations throughout the country are behind it.

The Bureau is running the above full page advertisement in *Life*, May 30, and in *The Saturday Evening Post*, June 25. It also runs in fifth-page size in leading Sunday newspaper supplements. The total combined circulation is over 27,000,000 with several times that number of readers.

By tying in with this public-spirited program, you and your restaurant customers can make new friends — and incidentally build coffee sales during the summer months.

Make full use of these brightly colored, dramatic mate-

rials. The poster measures 28" x 44" — the window streamer 28" x 14". Ask your customers to display them in their restaurants, on their windows and on roadside signs — wherever drivers will see them easily.

To help you with your part of the program, the Bureau is running an advertisement in the five leading restaurant trade publications, urging restaurants to tie in with the safety program.

The materials have ample space for your imprint. They are available for your own distribution, at half cost, \$6.00 a hundred for the large poster — \$2.00 a hundred for the small streamer. Place your order today with the Pan-American Coffee Bureau, 120 Wall Street, New York 5, N. Y.

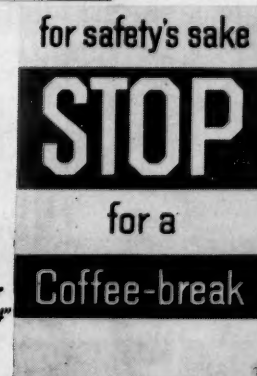
Sincerely yours,

Chas. G. Lindsay
MANAGER



Window Streamer
28" x 14"

Poster
28" x 44"



From roaster to customer --

COFFEE *stays fresh*

3 times longer

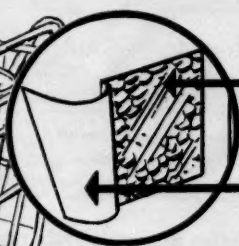
in **FLAV-O-TAINERS!**



Extra-fresh coffee will bring her back for more! To make sure your coffee holds that "just-roasted" flavor, package it in protective Shellmar-Betner Flav-O-Tainers. These durable bags keep coffee fresh *3 times longer*.

The Pliofilm* lining of each Flav-O-Tainer bag stops flavor-stealing oxygen from getting in. And all seams are hermetically sealed. That means when a bag is filled it can be heat-sealed, film to film.

Yes, your coffee is protected from roaster to customer when you package it the safe, thrifty way — in Shellmar-Betner Flav-O-Tainer bags. They adapt easily to *economical* automatic or semi-automatic filling.



PLIOFILM* liner gives prolonged sales life, prevents moisture-absorption or drying out.

SHELLMAR-BETNER bag fills smoothly in automatic high-speed or semi-automatic operations.

*TM, The Goodyear T. & R. Co.



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Flexible Packaging Division

MT. VERNON, OHIO

Sales Offices in Principal Cities



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1—NEW COFFEE ROASTER

An illustrated folder describes a new coffee roaster, B. F. Gump Co.'s Ray-Nox. The folder tells about the method of roasting used in the Ray-Nox Roaster, and other features of operation and construction, including recording thermometers and controls. B. F. Gump Co., 1325 S. Cicero Avenue, Chicago 50, Ill.

2—AUTOMATIC BAGGER

This illustrated folder describes a flat bag filling and sealing machine which is fully automatic. The filling and sealing are both done by the single machine. Glue or heat sealing can be used, or a combination of both. It is suggested especially for packaging coffee for glass coffee-makers. Ulbeco, Inc., 19 Rector Street, New York 6, N. Y.

3—MODERN FILLING MACHINES

This illustrated, four-page folder describes various kinds of filling machines developed for today's packaging requirements. Among the machines are universal fillers, automatic auger feeds, automatic de-plex units, automatic tight wrappers and others. Stokes and Smith Co., 4900 Summerdale Ave., Philadelphia 24.

4—SAMPLE TESTING

Sample testing equipment for coffee and tea companies is described in a four-page illustrated folder. Covered are sample roasters, testing tables, grinders, sieves, kettle outfits, cuspidors, etc. Among the illustrations is that of a typical coffee testing room. Jabez Burns & Sons, Inc., 11th Avenue at 43rd St., New York 36, N. Y.

5—SEALING TEXTBOOK

This little textbook on the sealing of corrugated and solid fiber containers has four chapters: 1. Adhesives—Hand Sealing and Automatic Sealing; 2. Gummed Paper Tape; 3. Metal Stitches and Staples; 4. Metal Straps or Wire. The 36-page book is available free from the Robert Gair Co., Inc., 155 East 44th Street, New York 17, N. Y.

SPICE MILL PUBLISHING CO.
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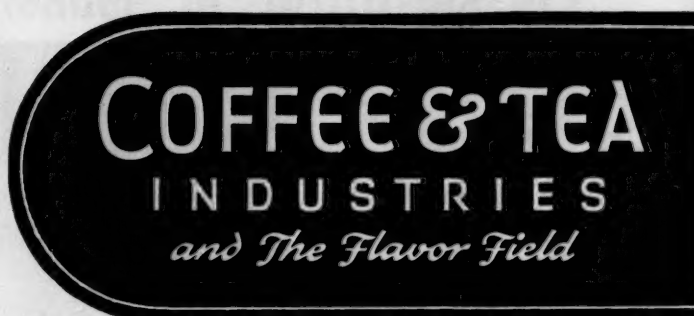
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MAY, 1955

Formerly THE SPICE MILL



78th Year

MAY 1955

Vol. 78, No. 5

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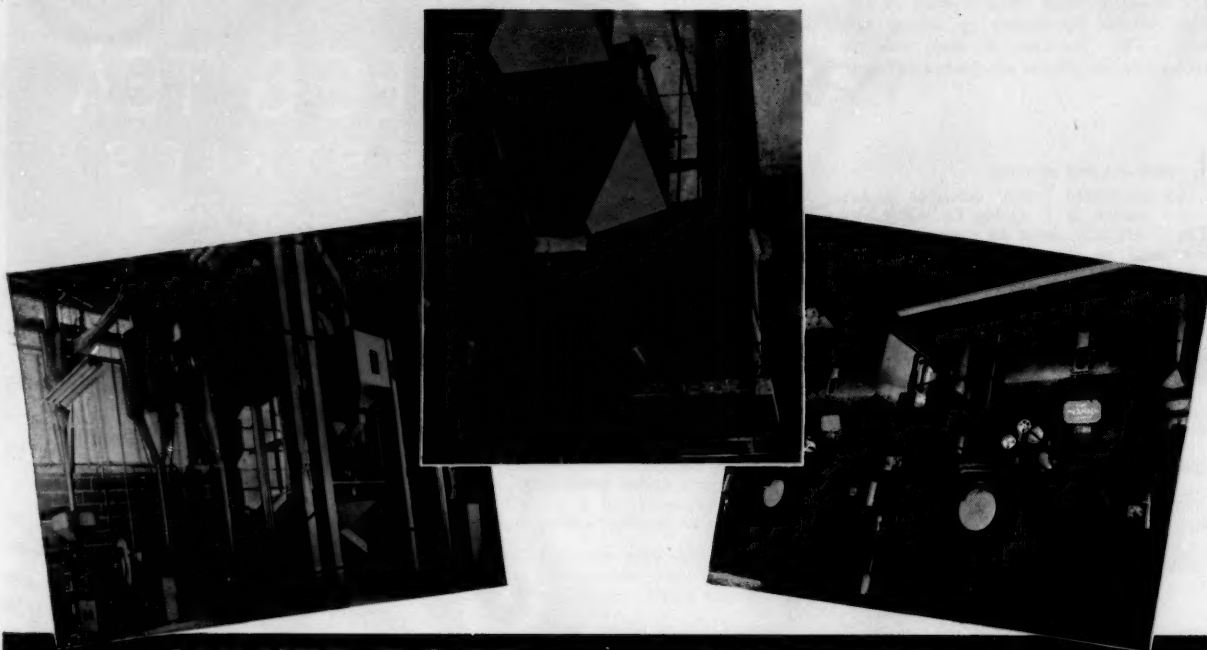
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78th Year



T. M. Reg.

Pioneer Publication in Coffee, Tea, Spice, Flavor



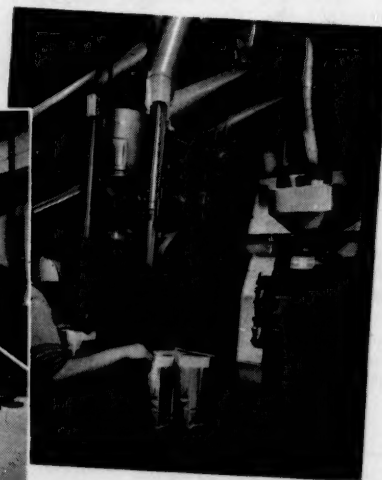
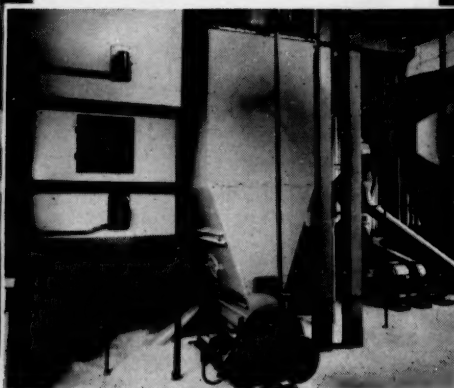
WHITE ROSE goes ONE STORY!

That's Right! All the equipment you see in these pictures — and more besides — is operated from one story, at Seeman Bros. new grocery warehouse, Bronx, N.Y. Cleaner, Mixer, Smokeless Thermalos, Coolers, Stoner, No. 35 and 38 Granulators, True-Flows, Elevators, Fans and Bin Gates are all controlled from one small area — using a minimum of labor.

... ANOTHER EXAMPLE OF EFFICIENT ENGINEERING & EQUIPMENT

BY

BURNS



JABEZ BURNS & SONS, INC.

11th Avenue at 43rd Street • New York 36, N. Y.

DESIGNERS AND MANUFACTURERS OF FOOD PROCESSING EQUIPMENT

Engineers

coffee — loss-leader or profit-maker?

Your sales are hobbled to outmoded ideas within this industry and among food store operators. Coffee is a traffic builder, sure! It's also one of the top money makers in the store . . .

Coffee is being undersold.

We don't mean on price, although that happens, too.

Coffee is being undersold as a profit item in the food store.

Grocery men tend to think coffee is a good traffic builder. But a money maker? No!

They are not alone in this kind of thinking. Coffee men have such opinions, too.

This attitude is one of the big obstacles to more coffee sales. It keeps food store display space for coffee within iron walls.

To break through those walls, or to get more promotion effort for coffee, some sort of deal is often made—a free case, an "advertising allowance", or something similar.

This, in turn, often results in the use of coffee as a loss leader, and in part accounts for the low opinion many food store operators have of coffee as a profit item.

The fact is that coffee is one of the top money makers in the food store!

Results of an extensive survey by a top food publication demonstrate this fact.

The survey provides ammunition to blast out of existence underselling of coffee as a profit item—inside the coffee industry and among the food store operators.

Coffee does have fast turnover. It does pull traffic. *It also makes more money than any other single grocery item in the store!*

This fact is revealed in the "Foodtown Study," conducted by the editors of *Progressive Grocer* primarily for retail operators.

The study is based on an exhaustive analysis of nearly \$3,000,000 in retail sales by five supermarkets of the Foodtown group in Cleveland, Ohio, during the 13-week period between April 5th and July 3rd, 1954.

From a coffee viewpoint, the period was, of course, hardly normal.

Retail prices were almost at their peak, which would reflect in dollar sales totals. But at the same time, the coffee storm was still raging, and consumer resistance was very much in evidence.

In addition, toward the tail end of the survey period, the seasonal sales slump was underway.

For all these factors, the period was not the best for a survey of coffee's profitability. The results are, if anything, probably conservative in this respect.

The five Foodtown supermarkets in the study are the corporate owned and operated stores of a young, highly successful combination chain-cooperative group operating in Cleveland and its suburbs.

They are big stores. Each does more than \$2,000,000 sales a year. Employing highly efficient methods and the

Table 1
Coffee and Total Store Sales

| Category | Dollar Sales | % of total store sales | Dollar Gross Profit | % of Gross Profit on Sales |
|---------------------------|----------------|------------------------|---------------------|----------------------------|
| Grand total — five stores | \$2,950,784.73 | 100 | \$531,591.50 | 17.9 |
| Regular Coffee | 127,078.88 | 4.31 | 10,844.30 | 8.5 |
| Instant Coffee | 50,739.80 | 1.71 | 2,748.75 | 5.4 |
| Total Coffee | 178,318.68 | 6.02 | 13,593.05 | — |

Table 2
Coffee in the Beverage Dept.

| Category | Dollar Sales | % of Beverage Dept. Sales | Dollar Gross Profit | % of Beverage Dept. Gross Profit |
|----------------|--------------|---------------------------|---------------------|----------------------------------|
| Total | \$45,535.14 | — | \$8,178.33 | — |
| Beverage Dept. | 3,532.24 | 100 | 389.81 | 100 |
| Regular Coffee | 1,983.76 | 55 | 186.83 | 45 |
| Instant Coffee | 780.82 | 22 | 43.38 | 11 |
| Total Coffee | 2,743.38 | 77 | 209.09 | 56 |
| Soft Drinks | 450.83 | 13 | 99.05 | 25 |

most modern food store equipment, they are examples of the best run, fastest growing supermarkets in the country.

Evidence of good overall store management and effective merchandising is found in the fact that these five stores averaged 17.9 per cent gross profit on sales. The average purchase in the Foodtown stores was \$6.83, compared to \$4.00-\$4.50 in the average supermarket.

From the exhaustive Foodtown analysis, coffee emerges as an undisputed major profit producer.

First, how does coffee shape up in the five-store picture? This is summarized in Table 1.

We see that regular coffee accounted for 4.31 per cent of total dollar sales for the five stores, and instant coffee for 1.71 per cent.

Between the two of them, they accounted for about 2.5 per cent of the total gross profit for the five stores.

This figure seems in no way remarkable—until you relate it to the floor space occupied by coffee.

Out of 3,672 square feet of selling floor space occupied by the various departments—grocery, meats, produce, dairy, frozen foods and bakery—coffee had 33 square feet, or .9 per cent of the total. Instant coffee had 7.1 square feet, or .2 per cent.

Regular and instant coffee together, therefore, had 40.1 square feet of floor space, or 1.1 per cent of the total.

Yet with this 1.1 per cent of the floor space, coffee produced 2.5 per cent of the total gross profit!

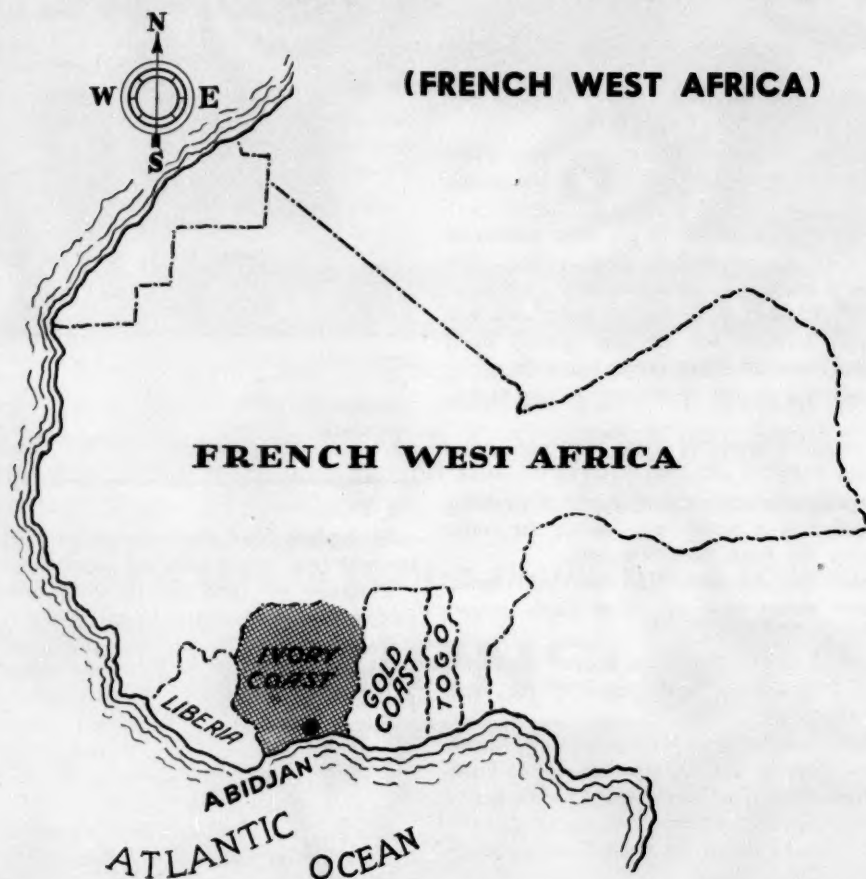
To bring the picture into even sharper focus, look at

(Continued on page 56)

ROBUSTA COFFEE

from

Ivory Coast



*Source of the Increasingly Popular
Neutral Type for Blending*

CHAMBER OF COMMERCE

POST BOX 1399, ABIDJAN, IVORY COAST, FRENCH WEST AFRICA

UNITED STATES REPRESENTATIVE FRENCH OVERSEAS TERRITORIES DIVISION
COMMERCIAL COUNSELOR TO THE FRENCH EMBASSY, 610 FIFTH AVE., N. Y. 20, N. Y., CI 5-7974

the revolution in green coffee marketing

By GEORGE A. MANDIS, Coffee, Cocoa and Sugar Specialist



This is the second of a series of articles. The ideas are entirely the author's. They are presented here as stimulating, serious thoughts on matters at the very heart of coffee buying and selling. Comments on the author's ideas are welcome.

In our last article we indicated briefly a few concrete ideas regarding a proposed coffee marketing organization. We also mentioned several important problems confronting the trade. The author stressed the need for finding a solution to these problems in order to bring about a greater efficiency in marketing and hedging facilities for the coffee trade.

In our first article we outlined the following: (A) The marketing organization; (B) general ideas on classification and type of coffees; (C) the spot and shipment market and the futures; and (D) an analysis of the basis.

As a continuation of the above outline, which we have adjusted since the last article, we shall attempt to complete in this article some aspects of (E) trading "on call," as related to the U. S. importer/dealer.

In our next article we shall give further examples regarding above trading "on call" and also indicate how these things are related to the roaster. In addition, we shall attempt to complete our coverage of (F) the principle of hedging and arbitrage opportunities in coffee and leave (G), our analysis of some of the price movement factors along with the supply-demand conditions, for a future date.

Trading "on call"

To understand and appreciate this marketing machine, we must be constantly aware of its component parts, such as (1) the spot market, (2) the shipment market, and (3) the futures markets, or a better term, the "future delivery markets" such as that maintained by New York Coffee & Sugar Exchange.

The spot markets may be viewed as "distributive markets," and practically all of the trading in them is done *privately* in the producing areas, as well as in the consuming spot markets with other dealers or roasters. But, in the central markets, business is chiefly done by cables.

The writer would like to mention here, before going into the subject of trading "on call" that there are two main phases of the marketing of coffee that have been the subject of criticism by many in the trade:

1. The lack of adequate and clear-cut differentiations for quality in the purchasing and selling of coffee.
2. The lack of an adequate hedging medium available for all coffees consumed in the U. S. By "all coffees" the writer means coffees produced in areas where the growth runs uniform, is easily "typed" and commands

a price that is consistent in its relation to prices of Brazilian and Colombian coffees.

The coffee trade must make a constructive effort to find a solution to these problems.

In our first article, in the April, 1955, issue of COFFEE & TEA INDUSTRIES, we defined the meaning of "basis." We shall now attempt to define two "on call" terms.

Seller's call coffee is illustrated by an importer contracting to buy spot coffee of a given type or growth at so many points on or off a given futures month, where the seller (the exporter) is agreeable to the "basis," but not to the full price. The importer gives the seller the option for a stated period of time to "call" the coffee. When in this period futures are at a price considered attractive by the seller, he "calls" simply by notifying the importer of his decision. The importer thereupon sells the equivalent amount of futures, establishing the importer's hedge against his risk in ownership of the coffee and *pays the exporter the price at which the futures were sold*, plus or minus the previously agreed "basis," for the coffee.

Buyer's call coffee is illustrated by the importer contracting with a roaster to supply a given type of growth of coffee at a mutually satisfactory "basis." The roaster, however, is not yet ready to agree to the full price. The importer, still owning the coffee, has his risk hedged by prior sales of coffee futures. He grants the roaster the privilege of "calling" for a given period of time. When in this period the price of futures is considered satisfactory by the roaster, the roaster exercises its "call" by so notifying the importer. The importer then buys in his short futures hedge and bills the roaster for the coffee at the *price paid for the futures*, plus or minus the previously agreed "basis."

As may be surmised from these definitions, buyers and sellers who enter into transactions "on call" usually agree *on the time* within which the party who has the right to call the price and the caller *must exercise that right*.

U. S. importers/dealers (whom we can designate as I/D) under this system of marketing would not be too much directly concerned in the full price. They would be primarily interested in the "basis" (which we can designate as B).

Therefore, I/D would have to become students of fluctuations of *basis prices*, and their success would depend primarily on their ability to forejudge correctly future movements of the "basis." Also, profits and losses would not be determined by the difference between the full price at which one buys and the full price at which, in turn, he sells, but by the difference between the *buying basis* and the *selling basis*. This is very important.

It can be better illustrated by using simple algebraic expressions:

E/S to mean exporters or shippers
 I/D to mean importers/dealers
 N to mean price of the future delivery month on the N. Y. Coffee & Sugar Exchange
 B to mean current quoted basis
 Cr to mean the full price per pound of raw coffee bean, the cost to the I/D
 CC to mean the calculated cost
 AC to mean the actual cost
 SCr to mean the selling price of raw coffee beans to another I/D or roaster
 P to mean profit (net return)
 i after a symbol to designate the transaction; "i" can refer to one transaction or to any number of different transactions going on at the same time or at different times.
 \cong to mean equal to or less than
 \equiv to mean equal to

Let us now explore a little more thoroughly the E/S and I/D relationship. Limited space permits giving only the highlights here. More detailed explanations concerning various phases of this marketing organization will be presented in future articles.

If E/S (exporter or shipper) sells to I/D (importer/dealer) on seller's call on an agreed basis, Bi (the current quoted basis for this particular transaction), for the "i"th transaction (as an example, between a Brazilian exporter and a U.S. importer), we know from the definition above that the E/S must fix the price. When the E/S calls the price, the I/D sells the future delivery month at price Ni (the price on the futures exchange for the transaction). The I/D then pays the E/S the equivalent in U.S. currency $(Ni + Bi) = Cri$ (the full price per pound of the raw coffee beans for this transaction). The I/D offers this same coffee to another dealer or to a roaster on buyer's call at a new basis, Bi + Ki. Here $Ki = Cci + Pi$ (or the calculated cost plus the net return for this particular transaction).

In this simple example it can easily be seen that the I/D was perfectly hedged against any future price movements. The I/D was only speculating on the basis as it should be.

Now let us consider in detail what computations for each "i"th transaction an I/D must make before offering his raw coffee to another dealer or roaster.

The intensity of competition in the coffee business in itself suggests that the trade should utilize the lowest cost facilities for buying and selling. Therefore, for each purchase of raw coffee an I/D must evaluate accurately the complete set of variables given below. The set Z can be considered, mathematically speaking, as a group of factors very important to the I/D as he buys and sells raw coffee to other dealers and roasters. For the sake of simplicity, let's consider here all cost factors as C, and assume that the purchases were on a net landed weight basis.

Hence, $Z = (Cf, Ci, Cwt, Ch, Ct, Cfe, Ca, Cs)$ where "f" is ocean freight, "i" insurance, "wt" weighing and taring, "h" handling at dock, "t" trucking, "fe" foreign exchange and financing cost, "a" administration and labor, and "s" warehouse cost for storage, insurance, etc. The algebraic summation of the above variables will give the total calculated cost, CC for each "i" purchase.

Hence, $CCi = (Cf + Ci + Cwt + Ch + Cfe + Ca + Cs) i$

If the buying basis was Cri and the selling basis to a

roaster was SCri for each i purchase and sale, then

$Cri + (CCi + Pi) \cong SCri$ and,
 $(CCi + Pi) \cong (SCri - Cri)$, where $Cri \cong SCri$

Note: This difference $(CCi + Pi)$ is the I/D basis for doing business. The success of each "i" transaction will depend on the final outcome of each "i"th decision, such as:

$(ACi + Pi) \cong (CCi + Pi)$, or
 $ACi \cong CCi$

The author has made a study of marketing costs CCi and ACi, using confidential data from the private files of large dealers. This survey study brought the following facts to light: If the I/D had been buying their raw coffee from producing areas on seller's call, the author feels that the CCi would continue to remain fairly constant and at a minimum for each "i"th transaction. The profits Pi would have become a little less erratic. Hence, if all major I/D had planned their purchases and sales in accordance with this proposed marketing practice, the writer feels that there would have been a greater stability of net returns, Pi.

Better "tone"

In addition to this, if I/D, E/S and roasters would practice the art of hedging their holdings and commitments and to "center" coffee marketing around the New York Coffee & Sugar Exchange, futures prices across the board would have a better "tone." The term "tone" is used in the loose sense of the word, in that price movements would be more susceptible to changes in supply-demand conditions and fluctuate less on rumors. Consequently, if the trade would protect itself through hedging transactions on the futures exchanges, the I/D as well as the roaster would be able to avoid very bad losses that they would otherwise take from time to time through violent fluctuations of coffee prices. Thus, the I/D will not have to add a marginal safety factor in their selling prices, SCri, to cover prospective heavy losses through adverse price changes as some do now. Competition between I/D's would necessarily result in their operating on very narrow cost margins, CCi.

The recording of world prices for coffee on the futures exchanges, together with the instantaneous reporting of these world prices to spot coffee markets throughout the world, would put sellers in a position to command the full market

(Continued on page 39)



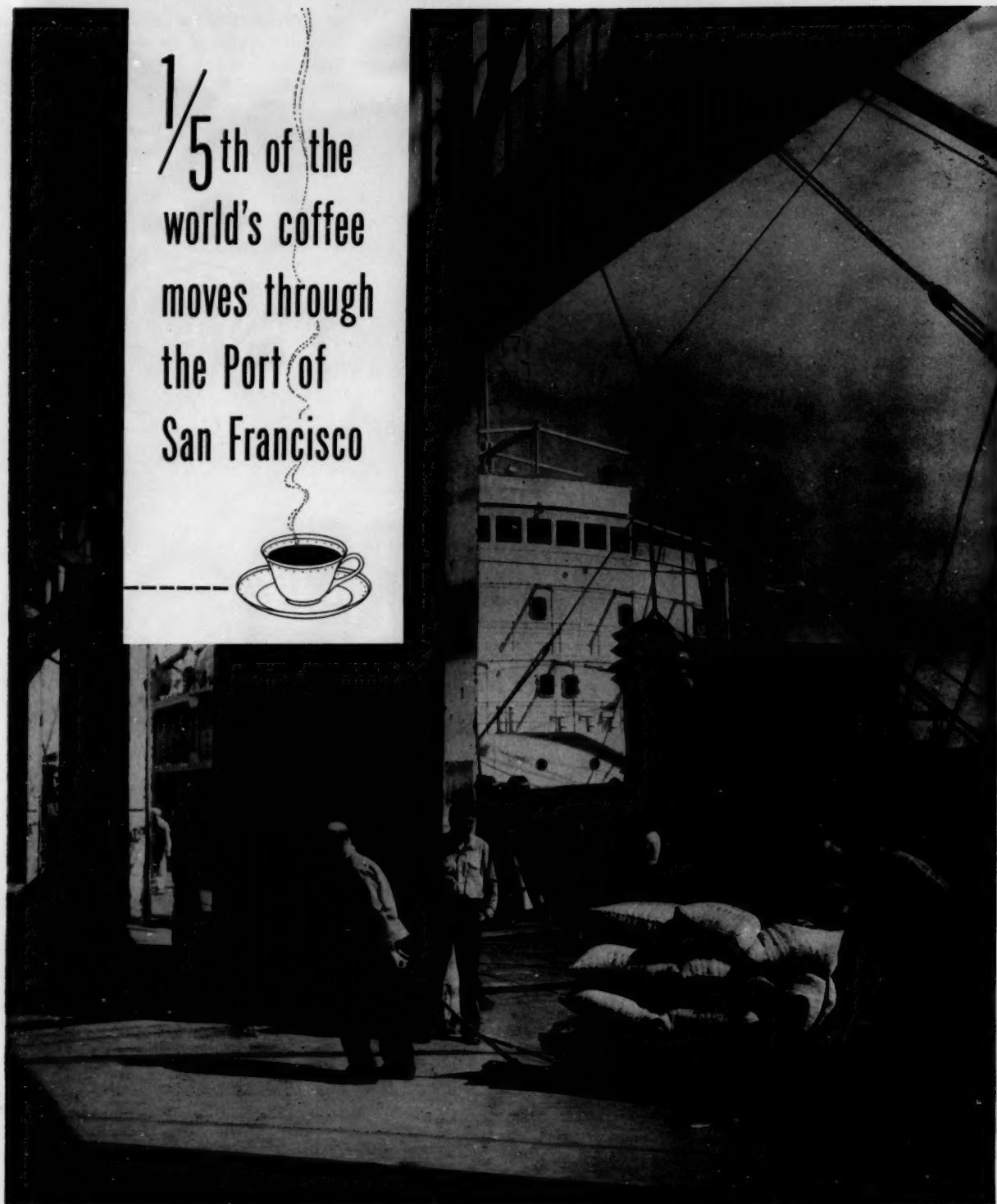
Automation in coffee brewing. V. A. Harrison, nationally known Texas restaurateur, with his Vaculator Automatic Coffee Brewer. "Here's the only automatic," he says, "that measures its own coffee, makes the coffee, then cleans itself of the grounds, all in three minutes." Mr. Harrison is president of the Mammy's Cafeteria chain. Vaculator is made by the Hill-Shaw Co., Chicago.



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THE BRAZILIAN COFFEE INSTITUTE, 120 WALL STREET, NEW YORK 5, N. Y.
MAY, 1955

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moves through
the Port of
San Francisco



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J. H. Myers, Traffic Manager
Ferry Building, San Francisco 6
California, U.S.A.

Mid-Western Representative:
Lawrence T. Waidell
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Chicago 1, Illinois

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PORT OF SAN FRANCISCO

COFFEE & TEA INDUSTRIES and The Flavor Field

Coast coffee men meet at Pebble Beach

It has reached a point where it is hardly necessary for the Pacific Coast Coffee Association to announce that its 1955 convention is going to be held at Del Monte Lodge, Pebble Beach, so strong is the tradition for this beautiful spot on the Monterey Coast in California.

Through Monday, Tuesday and Wednesday, May 16th-18th, coffee men from up and down the coast, guests from all over the United States and from coffee producing countries will gather to discuss the problems of the industry, as well as relax and play. A large attendance is expected.

Reservations have been made for the overflow guests at Pine Inn. They will begin to arrive Sunday. Monday is the day for registration, meeting old friends and settling down in quarters which are often the scenes of special hospitality to one's friends. It is also a time when golfers limber up on the course for the big tournament on Wednesday morning.

Tuesday morning at the business meeting of the association, new officers are to be elected and talks will be given to the assembled coffee men.

Among the speakers are John F. McKiernan, president, National Coffee Association, Horacio Cintra-Leite, president of the Pan-American Coffee Bureau and U.S. Representative of the Brazilian Coffee Institute, and Andres Uribe, U.S. Representative of the National Federation of Coffee Growers of Colombia and member of executive committee of the Pan-American Coffee Bureau.

handle the business of the convention:

COMMITTEES

The following committees have been appointed to Nominating committee—W. O. Granicher chairman, S. A. Brand, E. M. Bransten, L. S. Elliott, H. F. Gavigan, A. C. Glover, W. J. Morton, and T. C. Wilson.

Resolutions committee—W. H. Emigh, chairman, J. A. DeArmond, W. V. Lynch, C. A. Nonenmacher, and R. C. Powell.

Entertainment committee—E. A. Johnson, Jr., chairman, Morris Buckingham, and E. M. Manning, Jr.

Golf sweepstakes committee—Harold King, chairman, Victor Cain, Fred DeBow, Don Harvie, Victor Howard, Norman Johnson and Bill Seely.

Necrology committee—J. J. Beardsley, chairman, C. A. Mack and L. L. Raymer.

Baseball committee—Jack Schimelpfenig, chairman, Vern Aldrich and Roy Farmer.

Golf committee—Ernie Kahl, chairman, Tom Barrett, Earl Lingle and Ed Pattinson.

The Golf Sweepstakes will be repeated Tuesday evening this year in connection with the annual PCCA golf tournament. Chances of one dollar each will be offered on each golf player separately. Offerings began about mid-April so as to help develop the odds, which will be posted Tuesday morning. As the evening develops, new odds will be posted. You can win as much as 50% of the pool.

MAY, 1955

Trade Roast

By DOUGLAS WOOD



"Most successful coffee convention we ever had, I should say."

There will be entertainment to highlight the Golf Sweepstakes.

The annual golf tournament will again be played on the famous Pebble Beach Golf Course. The official round begins with handicap starting 9:00 a.m. Wednesday morning.

New rules have been worked out by chairman Ernie Kahl and his committee. It will be noted that the beaches and the ocean are part of the course.

Prizes will be awarded to six low nets, with first low net the cup winner, low gross, hole-in-one prize for fifth hole, blind bogie (prize donated by PCCA president Oswald Granicher), guest low gross, and guest low net.

This year's Annual PCCA convention baseball game has been scheduled for 3:15 p.m. Wednesday, May 18th, instead of the usual Tuesday afternoon time. This change in the day of play was made so as to give members who are both golfers and ball players the opportunity to get in a practice round on the golf course on Tuesday afternoon in preparation for Wednesday morning's golf tournament and still allow them the opportunity to get their "licks" in at the ball park.

Roy Farmer will mastermind the roast team, while Vern Aldrich will direct the green team, so all ball players (veterans and rookies) should get line-ups with their respective manager.

The culmination of the convention comes with the cocktail party, the formal banquet and the entertainment. This latter has been of a higher order, with Eddie Johnson furnishing the finest entertainers and best looking dancing girls to be obtained on the Coast.

The next morning coffee men will be speeding back home, leaving behind them another memorable and successful convention.

lower prices, alone, won't sell more coffee

**What's needed is more and better advertising, promotion
and public relations — bigger and harder "sell"**

By JOHN F. McKIERNAN, President
National Coffee Association

During February, the average retail price of coffee was down by 21 per cent from last August's high. Yet increases in sales volume have lagged far behind expectations. And the principal reason seems to be a lack of confidence all up and down the market line.

In every phase of the market, from the housewife back through the grocer and roaster to the green coffee importer, fluctuation of prices in the past and uncertainty of the future have dampened buyers' initiative.

Consumers, having seen the average retail price rise nearly 30 cents per pound in the first eight months of last year—and then decline 27 cents in the following six months—are buying only as much coffee as they need.

Roasters, in turn, because they can discern no reliable trend in green coffee prices and because they have accustomed themselves to lower inventories, have been buying only enough to keep their customers supplied.

Meanwhile, the importer hears about stabilization agreements among the principal grower nations, watches political and economic unrest in some of them—and wonders from day to day what direction green prices will take.

The result of this general uncertainty and hesitancy makes for a sluggish movement of the commodity all the way down the line. As one importer and distributor phrases it: "We should be selling more coffee at current prices. But not enough confidence has been restored in the entire picture to completely justify a substantial sales increase."

At this writing, the situation has been aggravated by a crisis in the Brazilian cabinet, although that country's spokesman, Horacio Cintra-Leite, joined Colombia's Manuel Mejia in assurances that the change in finance ministers would not affect recent stabilization agreements between the two principal grower nations.

While the atmosphere of insecurity is the principal factor in the slowed-down trade picture, some roasters see insufficient promotion as a contributing cause. They believe that a return to lower prices cannot, by itself, restore consumption rates to their normal levels.

Those who are calling for more aggressive selling cam-

paigns discern a "hangover" of suspicion among housewives and the inclination to stretch their coffee supplies. These roasters are convinced that they must win back the confidence of homemakers and persuade them that there is no longer any reason to be satisfied with less than a full-bodied brew.

No one in the trade is ready to predict how long the basic uncertainty about even tomorrow's prices will continue to hamper the return to normal activity of the market. It is to be hoped that a more confident attitude will develop soon. When that happens, the members of the industry will be in a better position to project and launch long-term promotional programs.

It may have been true, a long time ago, that the mere building of a better mousetrap would lead the world to beat a path to one's door. Today, when every competitor is claiming his own as the best, it takes a little more than just the building. Today, the world's got to be told about it.

For coffee, as for anything else that's produced to be sold, that means more and better advertising, promotion, public relations—and a bigger and harder "SELL."

See coffee break aiding industry effort to cut on-the-job accidents

Coffee-breaks are playing an important part in industry's efforts to reduce on-the-job accidents, according to personnel men interviewed in plants throughout the country.

National Safety Council figures show that disabling injuries occurring during the working day are more frequent between 10 and 11 a.m. and 3 and 4 p.m.

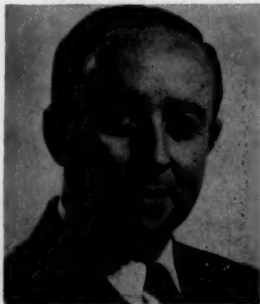
Coffee-breaks have proven most effective when held just prior to these hours, when the fatigue factor is greatest," says the study, "The Coffee-Break in Industry—Some Problems and Solutions."

According to Secretary of Labor James P. Mitchell, final 1954 figures are expected to show that U. S. industry chalked up the best safety record in its history for the year.

Significantly, during 1954 59 per cent of all employed persons could obtain coffee at their place of work, the greatest number since the inception of the breaks.

Approximately 35,000,000 employees and employers now take at least one coffee-break daily, a recent Wall Street Journal survey revealed.

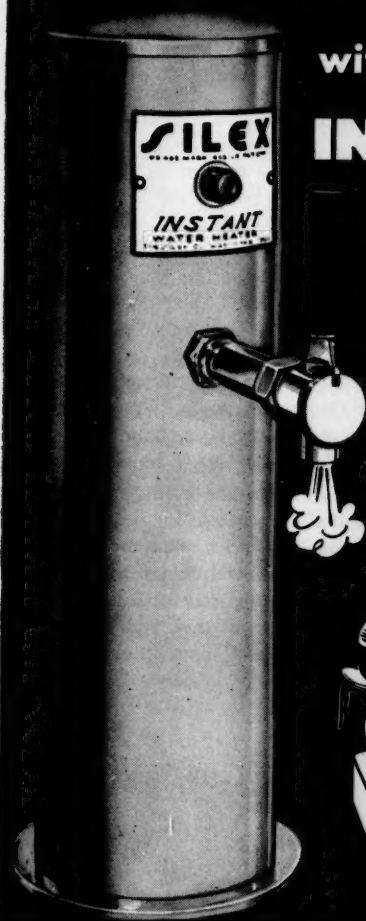
This study also disclosed that many firms are now providing free coffee for the breaks. As an investment in employee morale, one company official interviewed by the Journal stated that "the cost is insignificant."





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industry cooperation can increase coffee consumption

By HORACIO CINTRA-LEITE, President
Pan-American Coffee Bureau

Now that the coffee industry is entering a period of greater price stability, it is important that all segments of the industry work together to regain the losses that have been sustained and to build an even greater market for our product.

I have faith that this can be done if everyone in the industry accepts his share of the responsibility and discharges it to the best of his ability. It is a job of promotion and public relation that will require the best efforts of producer, roaster, and retailer in both the food store and food-service industries.

For if any lesson were needed, it has been plainly demonstrated in the last 12 months or so that the welfare of our industry depends upon our being able to satisfy the United States coffee drinkers. Consumers are our final judges, and they have recently made it abundantly clear that they have little sympathy for our trade troubles.

Frequently the consumers' methods of fighting back leave wounds which are deep and slow to heal. For example, it may take the industry a long time and cost considerable money to regain the volume we have lost through coffee stretching.

In the past, the coffee industry found itself enmeshed in a continuing cycle of boom-and-bust. It swung from acute shortages to tremendous overproduction. Striving to solve this problem, the coffee-growing nations of Latin America are actively seeking ways of implementing the resolution approved in Rio de Janeiro last December by the Conference of Finance Ministers of the Organization of American States.

This resolution called for a comprehensive study of world conditions affecting coffee and the consideration, on an international scale, of cooperative measures designed to diminish fluctuations in the coffee price structure. It is the high hope of all Latin American producing nations that a program can be developed that will be fair to all concerned—growers and consumers alike.

At the same time, the producing countries, and especially those 11 which support the Pan-American Coffee Bureau, are recognizing the need for strengthening and expanding the consumer program of education and information in the

United States. As is well known, it has been recommended to the Bureau's member nations that they increase their contributions from ten to 25 cents per bag in order to intensify these activities.

These funds are badly needed, in my opinion, to carry out the Bureau's mission of increasing coffee consumption. This is especially so in view of the big re-education job among homemakers and public coffee servers that the hot brown water they get out of 60 and 70 cup per pound brewing just isn't coffee.

This current practice of stretching the brew—and Bureau surveys show that the average is now 62.8 cups per pound—hurts the industry in two ways. The insipid beverage turns people away from coffee to other drinks and it cuts deeply into sales.

If we persuade housewives to brew coffee according to the formula which was customary only a few years ago, we can increase coffee sales by as much as one-third.

But no matter how much PACB has for advertising, public relations and consumer education, it cannot do the job alone.

The Bureau, and the Coffee Brewing Institute, which has done a fine job among restaurants and other institutional users, has never once retreated from the recommendation of a 40-cup per pound brew originally made by the Brewing Committee of the National Coffee Association.

But in the face of brand claims, not so long ago, of more and more cups per pound, our voice was drowned out. These competitive claims have since proven to be shortsighted, to say the least. For temporary brand advantage,

(Continued on page 40)



Peter Folger (left) congratulates Robert F. Sowell (center), new J. A. Folger & Co. ad manager. Ben F. Howe, assistant ad manager, watches.

factors in coffee's future

By WELDON H. EMIGH, Director
Green Division
Pacific Coast Coffee Association

Since our last year's Pacific Coast Coffee Association convention at Pebble Beach, green coffee prices have ranged from the high 80¢ bracket to the medium 50¢ bracket at the time of writing this article.

By the time we gather at Pebble Beach for the 1955 convention, prices could be at almost any level.

What will transpire between now and the time of our convention could, of course, be of great importance to the industry, and that includes not only green and roast firms here in this country, but also all phases in the producing countries.

In my humble opinion, there are several major points to enumerate as regards important recent factors and those which would appear to be the major ones for the future.



1. Because of the heights to which coffee prices rose at the peak of the market, we now realize that there was an accompanying disastrous effect on coffee consumption.
2. Soluble coffee enjoyed a sales stimulant because of the high prices, the like of which could never have been purchased for millions of dollars of advertising and sales effort.
3. With the return of more liberal trading, there will be an end to much of the tension which has been noticeable in the case of some dealings between producers and the coffee trade here. These tensions were, of course, understandable when one realizes that business was being attempted under extremely difficult and wildly fluctuating conditions. By settling down to a more sane level, there will be a calmer atmosphere prevailing for business.
4. The economic damage which has befallen coffee-producing countries because of the "boom and bust" of coffee prices is of a serious nature, so great that it is impossible to evaluate it. With this tremendous financial loss confronting Latin American countries, there will naturally be an accompanying great curtailment in their purchasing of all types of articles from the United States. The economy of our neighbors to the South, already greatly damaged, will probably face an adjustment the like of which those countries have never before experienced. Currencies will no doubt be effected to a point where drastic reductions will be required—or possibly even abandonment of any attempt to control the trend of their

currencies in the face of what seems to be insurmountable obstacles.

5. Changes in buying practices on the part of importers and roasters in this country, brought about by dropping prices, will require both time and renewed confidence before there will be the old time day-in-day-out covering of requirements. With the present hand-to-mouth policies on the part of roasters, importers and jobbers have likewise had to alter their buying policies. Consequently, there probably have been some opportunities lost for profitable purchases on the part of green firms who felt that the risk was too great to ride in free coffees for fear of further drastic declines in prices. In other words, while in most cases speculative losses may have been avoided, there probably were other instances where profits would have ensued if importers could have felt some assurance that they would not be badly burned by taking on a few bags.
6. When coffee prices reach a level at which we return to more normal trading, and which would appear at the time to be fair to all concerned, from producer to consumer, it is to be hoped that we will not then witness a drastic price advance merely because a volume of business is present. Of course, there will be fluctuations, which is the normal thing in any commodity, but for the benefit of everyone these should be moderate ones. For us to be faced again with a violent up-swing and a following bad break in prices would merely mean a repetition of what all of us have gone through, and certainly we must have learned that bitter lesson by now.
7. With the return of a fair price level and a resumption of trading, it would be helpful if restaurants and other eating places would do everything possible to price their cups of coffee at the fairest level possible. Such moves would greatly assist in the early restoration to favorable public opinion of coffee as a beverage.
8. Fortunately, a predominately large percentage of the industry has paid particular attention to quality, even under the most difficult of conditions, and therefore it is to be expected that such care will be continued.

The foregoing, I trust, will not be taken personally or geographically as a discourtesy on my part. Surely all of us are ready to call a halt to the unprofitable and senseless practices which have befallen the trade because of our having gone through a hectic period. The sooner we forget about the errors and shortsighted practices of the past few years, which have had costly effects upon the entire industry, the better off the producers, exporters, importers, jobbers, brokers and roasters will be.

Concerted action to bring about these changes in a spirit of mutual cooperation will accomplish our goal.

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PCCA

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PEBBLE BEACH, CAL.
MAY 16-17-18, 1955**



Midway Point, near Del Monte Lodge, PCCA convention site.

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COFFEE ROASTERS
Los Angeles 43, California

G. W. KONIG & SON
CERTIFIED PUBLIC WEIGHMASTERS
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San Francisco

R. N. LUSCOMBE CO.
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LUSCO COFFEE
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coffee — boom or bust?

By JOSEPH G. HOOPER, Jr.

In the foreword of the "First Annual Report (1941/42) of The Inter-American Coffee Board" the following words appear: *"IT IS APPARENT, THEREFORE, THAT THE PROSPERITY AND WELL BEING OF THE AMERICAN COFFEE-PRODUCING REPUBLICS DEPEND IN LARGE MEASURE ON THE MAINTENANCE OF STABLE AND ORDERLY MARKET CONDITIONS FOR THIS CROP."* The Inter-American Coffee Agreement was signed by practically all of the American coffee-producing republics and also by the United States of America.

In this, our country played a dual role. We realized that our neighboring countries to the south, with limited markets, should receive higher prices for their coffees; and at the same time, we had to prevent undue inflation in our country.

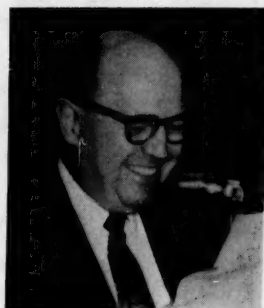
So you have all of the nations in this agreement, with the exception of ours, desiring higher prices, and the U.S. endeavoring to keep prices within reasonable limits.

The agreement served a useful purpose during the war years, but after the end of hostilities, continual pressures have been exerted, starting with the coffee growers and ending with the consumers in our country and in Europe.

We all remember the sharp upward swing in prices in 1949 which resulted in an investigation by our Senate. The year 1950 saw fluctuations of ten cents per pound, but prices remained within reasonable control during 1951 and 1952, only to start an upward swing again from June, 1953, until the end of the year. It further advanced to around 95¢ per pound in March, 1954.

Then the market, as we all know, broke and the trend has been downward to this time.

If the prosperity and well being of the American coffee producing republics depended in a large measure on the maintenance of stable and orderly market conditions for coffee in 1941-42, it might be well for all concerned to study conditions and arrive at sane and practical means for accomplishing the same aims for the present and the near future.



The coffee trade, in general, knows that to make progress it is important to have increasing per capita imports of green coffees and not too rapidly increasing prices in the consuming countries.

In looking back in our own country, we learn that in 1830 our net annual per capita imports of green coffee were 2.09 pounds, with an average price of 8.2¢ per pound. Since then it was not until the 1921-30 decade that per capita imports averaged annually 12.02 pounds, with an average price of 17.7¢ per pound.

Later, although per capita imports increased, we still find that during the years from 1931 to 1941 just prior to World War II the average annual price for green coffee imported into the United States only once went over 10¢ per pound, twice above 8¢ and under 10¢, and the rest of the years it was below 8¢. In 1940 the average was 6.2¢ per pound. In other words, we paid more for green coffee in 1830 than we did in 1940.

From these figures, one can readily see the plight of the coffee-producing countries in our Western Hemisphere prior to the last global war. Under the circumstances, it is not surprising that the economic development of Latin America was delayed for many years by the low prices received for one of its principal products, coffee.

With all of the manual labor and costs involved in planting, growing, harvesting, curing, transporting to seaports and exporting, plus taxes on such exports, one wonders at times why some of the countries continued to grow coffee and to expand its production.

It is well to bear in mind that, even with prices at the levels mentioned, Brazil during the period from June, 1931, to December 31, 1944, destroyed 78,214,000 bags of coffee. Based on bags weighing about 132 pounds net each and a cost of production and destruction at an assumed price of 4¢ per pound, Brazil destroyed approximately \$412,970,000 of her own wealth, while other coffee producing countries sold their coffees at prices averaging as high as those obtained by Brazil, without destroying the wealth produced by their soils. Just what Brazil gained by this is difficult to explain. Other ill-advised methods of controlling prices and exports of coffees have never proved to be of any lasting benefit.

Before going further, I would like to touch briefly on the subject of exchange, which at times has a very im-

(Continued on page 41)

Headquarters For

CHICORY & COFFEE CEREALS

E. B. Muller & Co., Port Huron, Mich. — New York — New Orleans

International Coffee Bureau to build buffer stocks as price stabilizer proposed by FEDECAME conference

Creation of an International Coffee Bureau to build buffer stocks to stabilize prices has been proposed by the eighth assembly of the Federacion Cafetalera Centro-America-Mexico-El Caribe, held in San Juan, Puerto Rico.

FEDECAME's 12 member countries—Costa Rica, El Salvador, Guatemala, Mexico, Panama, Dominican Republic, Cuba, Ecuador, Haiti, Nicaragua, Puerto Rico and Venezuela—signed the resolution.

The plan has the backing of Brazil and Colombia. The resolution noted it was in accordance with suggestions advanced by those countries.

Each coffee producing country would contribute a percentage of its yearly exportable production.

New coffee markets, wherever they may be found, will be a major goal of the International Coffee Bureau, it was emphasized by Horacio Cintra-Leite, U.S. representative of the Brazilian Coffee Institute, who attended the San Juan meetings.

"Perhaps its most significant activity," he said, "will be the penetration of new markets."

He stressed that the new international coffee body

would avoid any attempt to induce an artificial scarcity of coffee.

"It would work, in fact, to guarantee a supply for all markets on a level which would prevent any sharp rise or decline in prices," he said.

He reported that the subcommittee of the Pan-American Union examined the plan in detail, and said that it would be studied further by experts in the Latin American coffee countries before approval, which he indicated was generally expected.

Later, invitations will be extended to non-American coffee growing countries, he said, including European nations with African coffee-growing dependencies.

Coffee representatives at San Juan said they would "warmly welcome" the participation of consuming countries.

The conference also urged approval of the increase from ten to 25 cents in per bag contributions to the Pan-American Coffee Bureau for coffee promotion.

The substance of the plan for buffer stocks had been

(Continued on page 39)



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EVERYTHING for the COFFEE INDUSTRY
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COMPLETE COFFEE PLANT EQUIPMENT AND INSTALLATIONS

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Available in separate units which can be used with other existing equipment. Illustrated left to right is Parson's Scale, Tempo-Vane Bag Tuckers with vibrator conveyor and Tempo-Vane bag heat sealer and gluer. Capacity adjustable from 1/2 pound to 5 pounds.

San Francisco — coffee port

By WILLIAM A. GEARY, Chief Wharfinger
Board of State Harbor Commissioners
for the Port of San Francisco

For the eight year period following World War II, with the exception of the years 1948 and 1950, coffee movement through the Port of San Francisco was definitely on the up-grade.

During these eight years, 1946-53, coffee imports were as follows:

1946, 111,836 tons; 1947, 126,945; 1948, 114,690; 1949 132,731; 1950, 124,919; 1951, 138,620; 1952, 141,231; 1953, 132,407.

In the year 1954, however, this trend took a rather sharp downward movement. G. S. Evans, trade analyst for the Board of State Harbor Commissioners, has compiled the following report, comparing the 1953 and 1954 tonnages by months:

January, 7,737 tons in 1953 and 15,527 tons in 1954; February, 10,066 and 14,974; March, 20,655 and 18,194; April, 23,109 and 18,591; May, 16,639 and 9,637; June, 11,014 and 8,317; July, 11,432 and 7,210; August, 2,423 and 2,830; September, 11,260 and 5,781; October, 12,620 and 2,904; November, 3,848 and 3,196; December, 11,604 and 7,088; for the year 1953, 142,407 tons and for 1954 114,249 tons.

During the first 11 months of 1954, coffee was imported through the entire San Francisco Customs District from the following 23 countries:

Colombia, 78,309,326 pounds; Brazil, 64,145,876; Guatemala, 18,657,641; El Salvador, 18,376,386; Mexico, 14,357,160; Nicaragua, 14,069,966; Costa Rica, 5,055,085; Ecuador, 3,013,975.

Also Peru, 2,985,595 pounds; British East Africa, 2,125,588; Indonesia, 15,33,479; Honduras, 1,437,781; Dominican Republic, 1,172,846; Belgian Congo, 1,164,256; Venezuela, 1,107,516; Ethiopia, 704,623.

Also Haiti, 312,502; Angola, 192,869; French West Africa, 90,606; Trinidad and Tobago, 50,750; Madagascar, 11,407; Arabian Peninsula States, 8,680; India, 6,809.

Coffee is still our number one import in dollar value. The following 15 steamship companies provide the world's coffee ports with the fastest and most frequent services in the history of the Port of San Francisco:

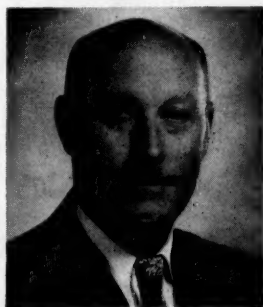
American President Lines, French Line, Grace Line, Gracolumbiana Line, Hamburg American Line, Holland America Line, Independence Line, Italian Line, Johnson Line, Matson Navigation Co., Moore McCormack, North German Lloyd, Pope & Talbot, Inc., Transpacific Transportation Co., Westfal-Larsen Company Line.

San Francisco is the world's third largest coffee port. A large portion of our port facilities are used to provide space required for the efficient handling of coffee shipments. San Francisco differs from the other world coffee centers in one very important respect. Practically all of the green coffee imported is roasted here.

San Francisco is also extremely fortunate to have approximately 26 coffee packers and a similar number of green coffee brokers who are outstanding experts in the coffee industry. Some of these packing and brokerage firms were founded here over 100 years ago. Others were established a few years later. The "know how" provided by the generations descended from these pioneers has made it possible for San Francisco to continue to increase its leadership in the world coffee trade.

The construction of modern pier facilities now under way at Piers 15 and 17 and the building and establishing

(Continued on page 82)



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52 Duane St. New York 7, N. Y.**

the problem is under-consumption

By EUGENE T. HEATHCOTE, Director
Green Division
Pacific Coast Coffee Association

The confidence of all in the coffee industry has been severely shaken in the last 15 months. We have witnessed three of the severest market declines, in history, during which rumors and counter-rumors, true and false, caused nervous tensions that exceeded anything in the past.

It is to the credit of all concerned that more casualties have not been the result.

It is unfortunate that politics and politicians have influenced this condition beyond all reasonable bounds, but in this day and age, such actions seem to be fashionable and cannot be changed by the few that would be so inclined.

As government actions will have the most important bearing on the future of our industry, a suggestion as to procedure might not be out of order at this time.

The greatest problem today is not over-production but under-consumption, not only in the U.S.A. and Europe, but in the producing countries themselves. I firmly believe that if coffee were made available at low prices to

consumers in producing countries, their consumption would increase tenfold in most of those countries. Their working class receives very low compensation for their labors and cannot compete pricewise for the beverage with consumers in the U.S.A. or Europe.

This could be done by subsidy or withdrawal of grades suitable for home consumption, the better coffee being exported, which would improve shipment quality and in turn help consumption abroad.

It is good policy to advertise coffee to help consumption throughout the world. It is also prudent to try and maintain prices consumers can afford to pay either in consuming countries or producing countries, and in this way avoid the unfavorable publicity we have had in the past.

Colombia's "fincas" are small farms

About 11 per cent of the *fincas* in Colombia have between 5,000 and 20,000 trees, while one-fifth of one per cent of the *fincas* harvest from more than 100,000 trees.

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THE BEST MILD COFFEES IN
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ADDRESS: FEDECAME BOX 739 SAN SALVADOR, EL SALVADOR



Dear Sir

LETTERS TO THE EDITOR

Dear Sir:

Your very interesting editorial, "Sell for coffee" (March, 1955, Page 43), confirms a conviction we have had for several years. The selling job done by the industry as a whole over the years has, in our opinion, been woefully weak. Even the effort of the Pan-American Coffee Bureau, while rather large in its scope, has been on the hit-or-miss basis, and they have not been able to hit on any established theme on which to hook their advertising.

During 1954 brewed coffee lost ground due to several reasons. Instant coffee has, however, gained considerably through advertising and promotion, which any sane man knows cannot be continued at a profit indefinitely. But the coffee industry in general has not come upon an organized sustained effort, such as other industries have, including the milk foundation, the Petroleum Institute, the American Association of Railroads, and many others.

Much emphasis has been put on the coffee break, but no industrywide effort has been made to carry through on this subject and to make it possible to handle the mechanics of these "breaks".

Until we instituted our hot coffee service, there was absolutely no way for companies not having facilities for brewing coffee to provide their employees with hot coffee. Much was said about the importance of the coffee break, but nothing was done to make it possible until we came along.

We grew from nothing over nine years ago to an operation doing a business of approximately \$400,000 annually at the present time. We have been instrumental in getting more than a dozen similar operations started during the past two years. All of this has been "plus" business for coffee. And the field is still wide open.

There are more than a hundred cities where such services are not in existence. Instead of coffee salesmen spending all their time trying to get customers away from other coffee salesmen, why wouldn't it be good business for them to spend part of their time trying to get "plus" business?

If the larger roasters would devote part of their advertising efforts, and similarly part of their sales efforts, to getting responsible parties interested in getting into this lucrative field, it would greatly increase the consumption of coffee. A salesman could spend a lot of time trying to land one such operation. It would yield him more volume than two or three dozen restaurant customers.

Our operation is a good example. When we started, nobody wanted our business. Now, as we are using considerably more than a ton of coffee per week, every roaster in town is hounding us to death.

Here is an opportunity for the industry to greatly expand the market for coffee. Not by trying to get people to use more coffee, but by tapping a field that is almost entirely untouched.

It is my opinion that if the industry would give some thought to this idea, it would prove to be one that would add considerable volume to their sales.

General Manager
Industrial Hot Coffee Service
Chicago

R. W. Blair

MAY, 1955

GREETINGS

TO THE P.C.C.A.

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Coffee!*

S. A. SCHONBRUNN & CO., INC.
77 Water Street, New York, N. Y.

the coffee year on the West Coast

By MARK M. HALL, San Francisco Representative
Coffee & Tea Industries

In searching for a simile which might describe the coffee situation today, it could be said it is like an airplane pilot with a shipload of passengers looking for a place to land in a fog.

Certainly there has been no easy resting place for prices, and the future is dimmed by the mist of uncertainty. Opin-

ion here is that the establishment of minimums might stabilize prices for a few months—but observe what the resignation of the Finance Minister of Brazil did to them.

The inescapable fact is that the future is clouded with prospective surpluses, this time not only in Brazil but in other pro-

ducing countries, too. The specter of new production coming from countries which heretofore were no factor in the market now obscures the vision of those who would peer into the future. Political action, based on expediency, adds to the confusion. Then there is the obstinacy of human nature itself.

Will consumers still maintain lower consumption by the habits of economy formed during the period of high prices?

There have been examples in economic history where a market was lost by taking advantage of a chance to charge high prices. If the coffee industry needs a purgative, let it take a good dose, and then start out on a sound basis, a level of prices which the roaster favors, the consumer accepts and the producer can live on. Speculative over-indulgence always winds up with a headache. There is no retreat from political crutches for an economy, when once put into motion. Let Brazil adjust her economy to coffee, and not try to make coffee carry the load of her inflation.

A lot of time has been lost when the coffee producers might have been promoting the consumption of coffee instead of having to make apologies for high prices. It is sounder economy to make a dollar on a larger amount of coffee than on a smaller amount with a higher price. It is the turnover in goods which distributes wealth to the many, rather than the few. Let a free market decide where the minimums should be, and then begin from there to expand the consumption of coffee throughout the world. Increased plantings make greater consumption the only answer.

Any review of the last year in coffee would have to extend to April, 1954. That month was historic for the high point in coffee prices as well as for the precipitous fall of those prices. May futures, Santos 4s, soared to an all-time high of over 95 cents. \$1.00 coffee was talked of as the goal of the move. The story has been told many times, but the question is, to what extent did this great rise in prices benefit the grower and worker, the principal concern of those who try to defend high prices?

The harmful results of high prices were obvious. Stocks in the United States began to decline. Per capita consumption was lowered. Confidence was lost in the stability of prices, and roasters bought only hand-to-mouth. Brazil, in vainly trying to maintain her minimums, held coffee off the market and laid the basis for accumulating surpluses and opened world markets to competing coffees.

The most spectacular result of these

(Continued from page 47)

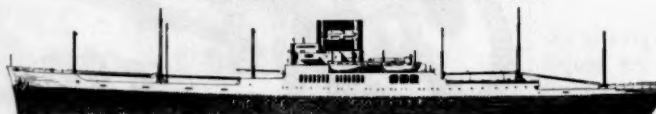


VIA

American President Cargoliner

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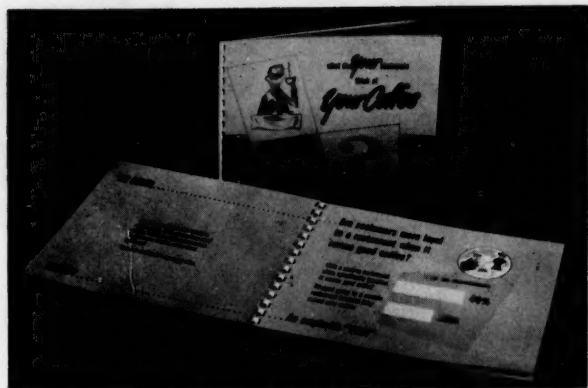
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Three trade routes: Round the World, Trans Pacific, and Atlantic Straits.

General Offices: 311 California Street, San Francisco 4. Branch offices in principal U.S. cities and ports throughout the world.



Now available to coffee roasters for use by their salesmen is this four-color plastic-bound booklet, "What do your customers think of your coffee?" It contains representative charts based on the "first wave" of restaurant research conducted for the Coffee Brewing Institute. Coffee preferences are charted.

CBI offers survey booklet as sales aid to roasters catering to restaurants

A new selling aid for roasters catering to the restaurant market is now available.

It is an aid coffee salesmen can use to demonstrate to restaurateurs that cups of good coffee are pivotal in building, and holding, their customers.

The four color, plastic bound booklet carries reproductions of representative charts based on the findings of the first phase of the consumer preference survey conducted by the Coffee Brewing Institute.

"This booklet," Eugene G. Laughery, general manager of the Institute, said, 'serves to exemplify the practical application that is being given and will continue to be given research studies conducted by this organization.'

"The data in this work is in a very real sense a tool that can be profitably used by sales representatives in the field. In a terse, comprehensive and colorful form it serves to dramatize significant consumer attitudes that have a distinct bearing on the success of restaurant operations.

"It brings one of the most important elements of the coffee industry—the salesman—into the better brewing picture. It reflects the opinion of his best customer—the consumer—".

The booklet was prepared and published after requests by numerous roasters throughout the country for survey information in a practical, useful form.

Kentucky coffee man dead

Simon Owen Whitenack, president of the Lexington Coffee and Supply Co., Inc., died recently at the age of 70 at his home in Lexington, Ky., after an illness of several months.

In 1925 Mr. Whitenack organized the Lexington Coffee Co., Inc., operating this business in addition to a wholesale grocery connection.

In 1940 he bought the entire stock of the company, which later was known as the Lexington Coffee and Supply Co., Inc., of which he was president.

He is survived by his wife, two sisters and a brother

MAY, 1955

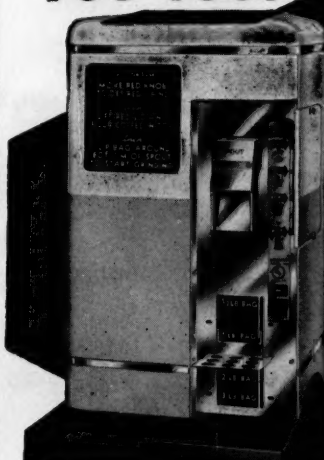
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GRINDMASTERS to greatly increase sales of your bag packed
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coffee trends in Norway

By JOHAN JOHANNSSON, Jr., President
Norges Colonialgrossisters Forbund Importørutvalget
Oslo, Norway

Since 1945, all coffee to Norway has been imported through the intermediary of The Norwegian Wholesale Grocers Association's Import Committee. This is due to governmental restrictions on foreign trade.

Brazil is still our biggest supplier of coffee, and since the autumn of 1953, there has been a general payment agreement between Brazil and Norway. Prices for export and import are stipulated in US dollars, all export and import between the two countries passing through a dollar clearing account in the Banco do Brazil and the National Bank of Norway (Norges Bank). This agreement has proved to be very favorable and has secured a steady supply of coffee.

As Brazil covers most of our coffee imports, about 80 per cent, the possibility of making good quality



blends agreeable to the Norwegian taste has been greatly diminished. In addition, price-limit regulations in Norway have prevented our importing better qualities than Santos N.Y.5's and Parana N.Y.4's.

We can only get coffee from other countries through commercial agreements. At present we have agreements, which include coffee, with France, Belgium, Holland and Indonesia. As we do not get dollars for imports of coffee, the only way to obtain coffee from the western hemisphere (apart from Brazil and Dutch Guiana) is through switch-transactions. Last year we succeeded in importing small quantities from Colombia and Haiti.

Coffee from the Western Hemisphere (except Brazil and Dutch Guiana) makes useful "blenders", and before the war Norway imported nearly 40 per cent from this source.

It is a fact that consumption of coffee in Norway since January, 1954, compared with the same period in 1953, has decreased, due to the high prices. But it is difficult to say how much consumers have reduced their coffee drinking.

Retailers prices

The retailers' price for roasted coffee since January, 1954, has been between N.kr. 19.00 and N.kr. 22.00 per kilo, which corresponds to U.S. \$1.21 and U.S. \$1.40 per pound 1 US\$ = N.kr. 7.14).

As a substitute for coffee the consumers drank more milk, tea and chocolate, which were much cheaper.

Owing to the high price of coffee, various things have been produced to mix with the coffee in order to make it last as long as possible. The raw materials which the producers have used are sugar-beet, dried peas and chicory. The result, however, has not been successful,

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• COLOMBIANS

MEDELLIN
TOLIMA

ARMENIA
GIRARDOT

MANIZALES
LIBANO

• ECUADORS

UNWASHED

WASHED

W.R. Grace & Co.

possibly because it reminds people too much of the wartime.

Coffee is a very popular beverage in Norway, and we are convinced that the consumption will increase as soon as prices start falling.

Coffee importers pay the same price for the various coffees, and must also use the same price when they sell to retailers. This is due to price-limit regulation by the government. It appears that this is not satisfactory, and the importers are now trying to obtain different prices for various coffees. If their efforts are successful, the importers can use different prices for different qualities, as they did prewar.

All coffee imported into Norway is brought through the intermediary of import agents. There are about 170 coffee importers in this country, all of whom are also wholesalers. The biggest importers have their own roasters, but most of the importers have their coffee roasted by independent roasters.

Finally, we would mention that today the desires of the coffee importers are as follows:

1. Bigger crops, so that the extremely high prices can be reduced. This will lead to increased consumption.
2. Individual import and a greater variety of coffee than at present.

New model Gump Coffee Granulizer has sectional grinding head

A new model Gump Coffee Granulizer, Style "E", is announced by the B. F. Gump Co., Chicago. Style "E", after thorough production testing in the field, is now available in Models No. 66, 77 and 88 for producing drip, regular and "general use" grinds, and in Models No. 666, 777 and 888 for a complete range of all commercial size grinds, including the finest recommended for glass vacuum brewers.

Capacities range from 400 to 4,000 pounds per hour, depending on model and the grind size.

Representing a major improvement in coffee grinding equipment, the new Style "E" Gump Coffee Granulizer presents advantages both in the grinds produced, and in operating economy and convenience, it was stated.

A sectional grinding head is a feature of the new Style "E" Gump Granulizer. The double reduction breaker rolls, the granulating rolls, and the fine grind rolls, are in separate sections. Any one section can be replaced when the rolls become dull through use, without having to replace the other sections.

Other advantages of the new Style "E" Gump Granulizer are outlined in detail in literature available from the B. F. Gump Co.

The company also announces that users of Gump Coffee Granulizers and the Gump Exchange Head Plan will be able to convert their old Granulizers to new Style "E" Models when they next order exchange heads, at a reasonable additional charge.

Thus, Gump Coffee Granulizers in use for many years may be converted to modern, improved Style "E" machines, it was explained, in accordance with Gump's established policy of making improvements and advances in Granulizer design available to their customers at the lowest possible cost.

MAY, 1955

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Good to the Last Drop!

Crops and countries

coffee news from producing areas

Whitaker for freer Brazil exchange, but opposes sudden action on coffee set-up

Brazil's new finance minister, Jose Maria Whitaker, is in favor of a freer exchange system, he said upon taking office last month.

Removing inequities would be fairly easy for most export products, Mr. Whitaker said, but very difficult for coffee "in the face of inevitable repercussions that any sudden change would have in foreign markets."

Mr. Whitaker replaced Egenio Gudin, who resigned in a political reshuffle of the cabinet.

Mr. Whitaker, a Sao Paulo banker, said, "exchange confiscation" is illegal and must be halted, it is reported by Octavio Veiga, Sao Paulo correspondent of COFFEE & TEA INDUSTRIES.

Earlier in the month, Brazil and Colombia announced that they had agreed on "measures to prevent abnormal fluctuations in coffee prices."

The talks between the two countries had taken place in Rio de Janeiro, with Mr. Gudin participating. It was made clear immediately after the change of finance ministers that the results of the Rio talks would not be affected.

Coffee pushed U.S.—Colombia commerce to new high in 1954, Uribe says

Coffee is responsible for the fact that commerce between the United States and Colombia reached a record level in 1954, Andres Uribe U.S. representative of the National Federation of Coffee Growers of Colombia, stated recently.

Colombia's imports from the United States, which reached \$372,000,000 in 1954 were almost all paid for with the dollars Colombia received from coffee sales.

"Over 90 per cent of Colombia's exports to the United States were coffee", Mr. Uribe said.

Excepting Brazil, the dollar value of Colombia's coffee sales to the United States exceeded the exports of any other Latin American country.

Colombia was the fifth largest customer in Latin America of the United States, following Mexico, Venezuela, Brazil and Cuba.

Nicaragua to toast in coffee, not champagne, Somoza decrees

Nicaragua, officials of the Nicaraguan government were under orders today to give up champagne as the toast beverage at political and diplomatic parties.

President Gen. Anastasio Somoza ordered that henceforth all officials toasts shall be offered in Nicaragua's famous mild coffee.

Beddingfield named by Southland

H. E. Beddingfield has been appointed Atlanta district supervisor of the Southland Coffee Co.



Fine Colombian Coffees

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First national Coffee Day marked by opening of PACB exhibit in Washington

The first national observance of Coffee Day began in the nation's capital on April 11th with a ceremony opening the Pan-American Coffee Bureau's 17-unit coffee exhibit to the public in the Pan-American Union Building, 17th Street and Constitution Avenue, Washington, D.C.

Charles G. Lindsay, manager of the Bureau, together with Ambassador Jose A. Mora, chairman of the Council of the Organization of American States, presided at the opening, which was attended by diplomatic representatives of the Latin American coffee growing countries and U.S. officials.

Some of the highlights of the exhibit, being shown in the United States for the first time, are a scale model of a coffee plantation, depictions of roasting and blending units, and lighted photos of typical growing scenes. Designed by Robert Gruen Associates, New York industrial designers, the exhibit, which occupies a space of 800 square feet in the Pan-American Union lobby, will remain on display for at least a month.

Ambassador Mora issued a special proclamation designating Coffee Day as part of the Pan-American Week celebration commemorating the 65th anniversary of the first Pan-American Conference, held in Washington in 1890.

Seeking to promote an increased knowledge of the importance that coffee plays in hemispheric unity, PACB, in cooperation with the Pan-American Union, widely publicized Pan-American Week and Coffee Day to the press, radio and television.

Letters pointing out that coffee is the backbone of Inter-American trade were sent to all newspaper editors.

A publicity kit, consisting of news releases, a coffee feature, and suggested editorial material, was distributed to all major and secondary newspapers.

Editors of leading Sunday supplements received a ten-photograph picture story, bylined by the Bureau's president, Horacio Cintra-Leite, that illustrated the extensive production coffee requires and pointed out the importance of coffee as a trade commodity.

Eight special photographs, along with a special script, were provided to all television stations for showing during Pan-American Week.

Radio releases and special talks served to call attention to the listening public of the importance of coffee in this celebration.

To give added impetus to regional observance of Pan-American Week, the coffee trade was informed, in advance, of the Bureau's promotional activities in this celebration. A fact sheet, for use in local promotion, was also mailed to the trade.

India releases more coffee for export

The Indian Coffee Board has released for export 450 tons of coffee out of the 1954-55 crop.

This coffee comprises 25 tons of Arabica cherry peaberry, 175 tons of Arabica cherry flats, 140 tons of Robusta cherry flats, 10 tons of Robusta cherry peaberry, 63 tons of Robusta parchment flats and 37 tons of Robusta parchment peaberry.

MAY, 1955



brew coffee in *Beauty...*



serve it in *Style...*

... in the
glamorous new

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decanter
by
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Robusta coffee

By A. E. HAARER

This is a comprehensive article on one of the world's two main coffee types. From World Crops, the article assembles for the coffee man most of the more important facts about Robustas.

The fruit of the Robusta coffee tree is more rounded than Arabian coffee; it holds less gelatinous juice between the outer skin and the parchment covering; and it has slight furrows on each side marking the place where the carpels join, each containing a single seed.

The seeds, or the coffee beans of commerce, are themselves usually smaller than Arabian coffee, and though flattened on the inner sides, they are rounder on their outer sides. In color the beans are not such a bluish green, possibly because of atmospheric influences where this coffee flourishes, and the brownish silverskin adheres more closely.

Nomenclature

Not long ago, and in spite of lifelong experience in coffee, the writer was very properly corrected when he classified Robusta coffee as "hard".

It is not a hard coffee, and that which is grown in East Africa, Java and most parts of the world is classed by the trade as a soft and a medium mild coffee. The practice which has grown up in East Africa of calling Robusta coffee "hard"

is wrong², and as Mr. Schluter says, "a disservice to the producers".

The word Robusta is a trade name for coffee beans of the kind derived from *Coffea canephora*, and although many planters refer to their trees as Robusta coffee, they, too, are wrong and are propagating an error which is so widespread as to have become common usage.

Some years after *C. Canephora* had been found and described, Linden figured it as *C. Robusta* (Linden) in his trade catalogue of "New Plants of Horticultural Interest in the Colonies", which he published in 1900. The Dutch, who planted the species extensively in the East Indies because it was resistant to leaf rust disease, also called it *C. Robusta*, thus bringing the error into commerce until planters and trade throughout the world began to use this name.

Origin

In 1895, the species was found by Emile Laurent growing wild in the Congo basin and cultivated by Africans and Arabs. He identified it correctly as *C. Canephora*, but two years later De Wildmann thought it was a new species and called it *C. Laurentil*. Meanwhile, Linden had renamed it *C. Robusta*. All three names referred to the same species found in that particular region, and since the species *Canephora* had already been described elsewhere, *Canephora* is

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correct, and the only name accepted by botanists for the species as a whole*.

The species is indigenous over a wide area of West Africa, in association with equatorial forests. It is found in French, Belgian, Portuguese and British territories in West Africa, chiefly between the latitudes of ten degrees North and ten degrees South, at altitudes from sea level up to about 4,000 feet; also as far east as Uganda and Southern Sudan, and possibly in parts of Western Abyssinia.

There are a great many forms which might be called varieties, and these have often been given specific names by botanists too eager to find new species or insufficiently aware of how the forms merge into each other through all manner of gradations.

Coffea Canephora is self-sterile and because it must have pollen from another tree before it will set seeds and since it readily crosses with *C. Arabica*, *C. Liberia* and many other true species of coffee found wild or cultivated in the same regions, it is not surprising that intermediate hybrids have appeared in such an array that the botanical classification is fast becoming confused.

Cultivated forms

In Bukoba, northwest Tanganyika Territory, for instance, the Africans have cultivated *C. Canephora* and *C. Arabica* in close proximity for many years, and a most interesting collection of forms and hybrids exists today of which *C. bukobensis*, is merely a form of, and synonymous with *C. Canephora*. It is doubtful whether *C. Congensis* is a true species, for it may well be a dwarf form of *Canephora*.

There are large and small leaved types, the leaves tough and leathery or paper thin, their edges wavy or not as the case might be, and their surfaces corrugated or flat. Growth is different too, so that some plants have an upright growth and make trees with thick trunks 30 to 40 feet tall. Others bend over, make sucker growth and bend again until the plants assume the shape of large rhododendron bushes. The flowers vary in size, as do the fruits and seeds, but there is one characteristic which is usual — they are all tightly bunched together in separate clusters or whorls which surround each node of the flowering wood.

For purposes of commercial planting, most of the intermediate forms may be disregarded. There are the so-called species and sub-species *C. Maclaudii arabica* var *Sturmannii*, *Welwitschii*, *Ugandae*, *Kouilouensis*, *Hiernii*, *Hinaultii*, *Muniensis*, *Oligoneura*, *Trillesii*, *Wildemanii*, *opaca*, *sankurunsis*, *Griesa*, *Flavescens*, *Latifolia* and possibly others, all of which one may consider are Coffee *Canephora* of the two main types.

The two main types are distinctive enough to be called varieties and there has grown a tendency to call one Kouilou and the other Nganda coffee.

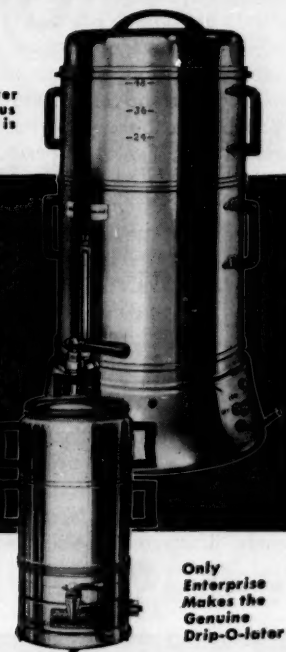
The Kouilou coffee taken from the West Coast of Africa to Java was said to be a tree bearing large elliptical leaves³, and the Javan types imported into Uganda mostly resemble the No. 9 selection, which is an erect and tree-like type selected from wild coffee found in the Tore Forest region of Uganda. Thomas, however, states that the Nganda form, which has a spreading growth and smaller leaves, corresponds to the Kouilou variety of the Dutch East Indies, and this would appear to be a contradiction⁴.

So far as British production in Uganda is concerned

(Continued on page 38)

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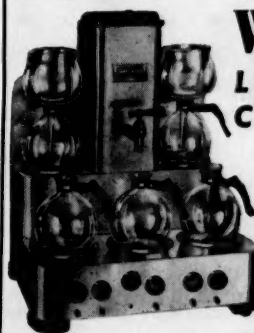
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**Amsterdam, Rotterdam futures markets
being reopened after 15 year lapse**

The Amsterdam and Rotterdam Coffee Futures markets are being reopened after a lapse of 15 years.

The main obstacle to reopening these markets earlier was the difficulty in obtaining licenses for dollar coffee. This has now been overcome by the Netherlands Finance Ministry and the Netherlands Bank.

Members of the Amsterdam and Rotterdam Coffee Trade Association have received some details of regulations to govern the coffee futures trading.

The basic contract will be 125 bags, 60 kilos each, of standard type Santos Superior Good Bean, good to fine roast, strictly soft and cup-tested solid flat beans.

Margin requirement will be 3,000 guilders per contract. Prices will be fixed daily, first in Rotterdam and a quarter hour later in Amsterdam, with quotations in cents per half-kilo net.

Four types of Santos coffee will be traded—extra prime, prime, superior and good.

Other deliverable types will be Parana, Colombian, Costa Rican, Guatemalan, Mexican and Salvadorian.

Nestle issues coffee etiquette booklet

Tying in with its current advertising campaign, which promotes making Nescafe in quantity for family groups and gatherings, The Nestle Co., Inc., has issued a hand-somely illustrated booklet written by Emily Post and titled "Coffee Etiquette."

The booklet, available to anyone who writes to Nestle's

explains the correct way to serve instant coffee at every kind of occasion, from a barbecue to a wedding. It also includes 17 Nescafe recipes and service tips.

New ways of preparing iced coffee and how to serve coffee to large groups are explained.

**Ahlmann Line begins 1955 service
to Great Lakes ports from Venezuela**

The Ahlmann Transcaribbean Line has begun its 1955 Great Lakes navigation season.

This service is from the Venezuelan ports of La Guaira, Puerto Cabello and Maracaibo, and also Curacao in the Netherlands Antilles, to Chicago, Milwaukee, Detroit and Cleveland.

Sailings are approximately every 19 days.

Robusta coffee

(Continued from page 37)

the plantation grown upright type is generally the No. 9 and the spreading type now grown by the Africans is called Nganda.

Selection and breeding

T. D. Maitland carried out some of the earlier selection work in Uganda; his No. 9 was considered the best and was distributed extensively to both European and native planters. Since the spreading type gave less trouble in pruning it was later decided to encourage the Africans to grow only the "Nganda" type, while the Europeans stuck to their No. 9.

In regard to genetics, a great deal more is known

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about *C. Arabica*. C. A. Krug and A. Carvalho, have stated⁵ that problems in breeding *C. Canephora* arise on account of self-sterility.

Location on plantings

Robusta coffee, to give it its trade name, was first grown elsewhere than in West Africa—in the Dutch East Indies, in Ceylon and in parts of India, when the leaf spot disease invaded the plantations of Arabian coffee. About this time Ceylon planters became interested in tea, so that the Robusta disease-resistant coffee was not taken up to any great extent in Ceylon.

Later, in India, the Jackson's and Kent's varieties of Arabian coffee proved to be almost equally resistant to the disease, so that Arabian coffee was not given up. One might therefore state that the present plantings of Robusta coffee in Tanganyika and Uganda are some of the most important in the world, since the annual pro-

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International Coffee Bureau

(Continued from page 26)

worked out earlier in conferences at Rio de Janeiro by representatives of Brazil and Colombia.

Manuel Mejia, general manager of the National Federation of Coffee Growers of Colombia, said that the buffer supplies would be drawn upon when normal production cannot meet world demands. Sales from the "emergency stockpile", he said, will be made through the normal channels of trade at prevailing market prices.

"As production is now slightly ahead of consumption," Mr. Mejia said, "we have an excellent opportunity to begin the building of the 'emergency stockpile'. We must not forget that a drought, continued heavy rain, a freeze or a plant blight in any of the world's coffee producing areas could quickly reverse the present coffee supply situation."

Brazil's former finance minister, Eugenio Gudin, was a party to the Rio talks, but his departure from office, Mr. Mejia said, would not affect the Brazilian-Colombian talks on the world coffee situation.

"Brazil's new finance minister, Jose Maria Whitaker, has already announced he will carry out Mr. Gudin's policy" Mr. Mejia pointed out.

The San Juan resolution said that the percentage of exportable production to be contributed to the buffer stocks would be determined "in accordance with the situation of the international coffee market, after consumption requirements have been met."

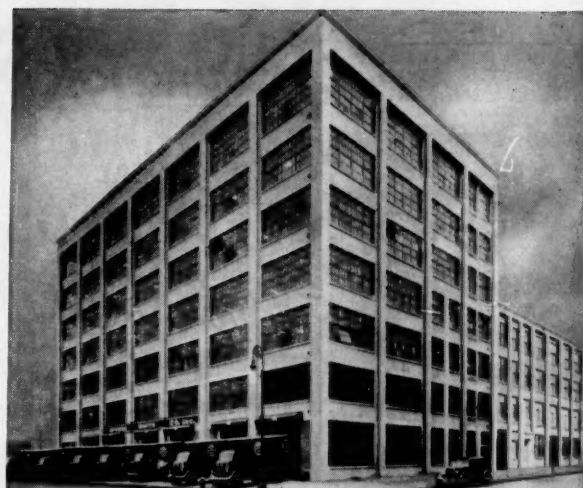
The proposed International Coffee Bureau would also formulate economic and agricultural research, offer technical assistance and provide financial help.

the revolution in green coffee marketing

(Continued from page 14)

price. Also, this would enable buyers to avoid the possibility of paying more. *Herein lies the prime value of having a proper hedging system serving the coffee trade.*

We may assume here that if the trade would use the



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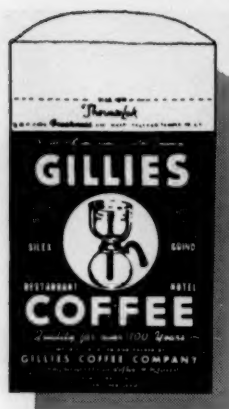
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futures, the spread differences between various growths of coffee used in this country would have a tendency to widen and narrow *more so* in accordance with changes in the supply-demand conditions. This relationship would offer I/D a better vehicle for arbitrage operations as well.

The important thing to get across at this time is why coffee should be bought and sold "on call," and also, how to call such transactions.

During the harvesting season, large supplies of coffee come to the exporting centers. At this time, the E/S are usually willing sellers (at a certain rate), depending on certain supply and demand fundamentals, but the I/D may not be buying at an equal rate. Perhaps the I/D feels that he could sell the coffee advantageously in the next four or five months on a better basis. Thus, if the E/S were offering at a favorable basis, Bi, (in U.S. points: 100 pts. equal to one cent) to the I/D, *the I/D would book heavily if he felt the buying basis is likely to advance.* On the other hand, the E/S may not want to sell because of a possible advance in the full price after the harvest is completed, and so forth.

What, therefore, is the solution to this problem? There is only one efficient way of coping with such a situation. That is to institute a method of buying and selling coffee "on call" and spreading the practice over international boundary lines.

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Industry cooperation

(Continued from page 20)

they may well have set back the industry several years.

Today, happily, most coffee advertising no longer recommends these coffee-stretching techniques. However, the industry shows little evidence yet of urging the consumer to use as much ground coffee as she should in order to produce a rich, flavorful, stimulating cup.

The situation is equally serious when we consider restaurant and hotel service of coffee. It is generally conceded that coffee consumption in public eating places has dropped off seriously in the past year. This has been partly due to higher prices and partly to the poor cup of coffee being served.

It is significant, in this connection, that the time-honored institution of the coffee house has been revived—and very successfully.

I have no doubt that the growing success of coffee houses, and of *café expresso* establishments, is due to the patronage of people who are utterly dissatisfied with the quality of coffee served in some of the places where they are accustomed to dine. The coffee house, featuring good coffee, has been capitalizing on this deficiency, and profiting accordingly.

So the restaurant and institutional trade is another area in which the roaster can join in the effort to recapture lost sales and build a greater market.

According to a survey of restaurant customers throughout the country, coffee is "the most important single item on the menu in attracting and holding customers."

On the basis of this, and other findings, PACB recently urged a three-point program on restaurant owners in a published statement. It suggested that restaurants let their

customers share in lower coffee prices; not by reducing *their* prices, but by:

1. Changing to a better grade of coffee.
2. Being more generous with their coffee—offering a second cup without charge.
3. Using enough coffee to make a proper brew.

It has been said that there are few coffee problems that a good cup of coffee cannot solve. No doubt this is oversimplification. But I am convinced that the statement contains a good deal of truth.

Only good coffee, properly brewed, can stimulate a desire in the consumer for more. The cultivation of this desire can mean a tremendous increase in U. S. coffee consumption. Certainly this is an endeavor deserving the wholehearted cooperation and support of every element of our industry.

coffee—boom or bust?

(Continued from page 25)

portant part in coffee prices. A sound currency is one of the greatest assets a nation can have. It helps its international trade and encourages the flow of capital to aid its internal development.

Just look back on the British Empire prior to World War I, when she had in the pound sterling a unit of recognized value in the world for trading anywhere. After that war and especially after World War II, the United States dollar has been able largely to displace British currency in much of the world trade.

The Latin American countries could learn a lesson from this.

If the Latin American Countries obtain profitable prices for their coffees, they have more money to buy from us. It is well to remember that the flow of money during the period from 1946 to 1953, inclusive, from Latin America to the United States has averaged \$482,500,000 per year as against net exports of capital from the United States to Latin America during these same years, averaging \$300,000,000 annually.

The American Republics are very important to us, and it is to our own interest, as well as theirs, to use our efforts to cooperate to increase their national wealth.

Yet high prices stimulate competition. Since the upward spiral in green coffee prices after 1941, many new areas, as well as old areas, have been planted to coffee. Problems of over-supplies may become serious, especially in Brazil. The past has shown the costly failures of withholding millions of bags of coffee from consuming markets. What will the future bring forth?

Perhaps the matter of excess supplies in Sao Paulo will be taken care of by this state herself. One of the greatest industrial developments in Latin America is taking place in and around the city of Sao Paulo. If this continues at the present pace, it may have a very great part in bringing about a decline in coffee growing in its state.

It is to our interest to be able to obtain adequate supplies of green coffees from our neighbors to the south at reasonable prices.

Perhaps the questions of over-production, good preparation and other matters relative to the coffee industry can be solved if the parties concerned work together for their mutual interest rather than for the purely national interests of each.

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Solubles

Heyman joins Foster D. Snell; soluble plant services enlarged

The engineering department of Foster D. Snell, Inc. has announced that Wilbert A. Heyman, pioneer in the soluble coffee field, has joined its staff.

This association will permit Snell to offer more comprehensive services in the design, erection and initial operation of soluble coffee plants, it was explained.

Mr. Heyman is the owner of several patents on soluble coffee processing. In 1941 he erected and operated a plant which supplied over \$2,000,000 worth of soluble coffee for the U.S. Armed Forces. This plant was subsequently acquired by a currently large producer.

As a result, Mr. Heyman was awarded the Certificate of Appreciation by the U.S. Defense Department for this project and for one on coffee staling.

Mr. Heyman recently designed a plant which is now being completed in the Philippine Islands.

The engineering department of Foster D. Snell, Inc., in association with Mr. Heyman, now offers this combined background for the design and installation of soluble coffee plants with these salient features:

1. High yield of solubles per unit weight of roasted coffee.
2. Minimum loss of coffee volatiles
3. Minimum oxidation of coffee extract
4. A highly soluble "bead" product
5. Sanitary construction to meet local requirements
6. Low labor requirements
7. Capacities to suit your own marketing needs.

The engineering and food technology departments of Foster D. Snell, Inc. have been active in the soluble coffee field since 1947. Snell services include coffee blending and roasting studies, flavor and aroma evaluations, trouble shooting, and engineering of soluble coffee plants.

The latest soluble coffee technics are described in the booklet, "Manufacturing Processes for Soluble Coffee," by W. H. Kanninen and S. E. Taub, of Foster D. Snell, Inc.

Holiday Brands is now Holiday Coffee

Holiday Brands, Inc., Walpole, Mass., is now the Holiday Coffee Corp.

A special meeting of stockholders elected as directors for the coming year Louis E. Leverona as chairman of

the Board, E. L. Cannon, H. Virgil Sherrill, Kenneth G. Donald, Donald H. Linton, Richard M. Steer, and Francis H. Burr.

E. L. Cannon, president of Holiday, reported that for the year 1954 the company had sales of \$1,154,510 and a net profit of \$4,595. This compared with sales of \$801,640 and a loss of \$129,394 in the year 1953.

See 99.5% recovery of soluble coffee

"fines" with new dust collection units

After successful application on powdered dairy products, a dust collector made by the Dustex Corp., Buffalo, N. Y., was tested in soluble coffee plants. Test results indicated a collection efficiency of 99.5%.

Particle size determinations revealed the collected material to be in the 5—75 micron range.

Testing was accomplished without interruption of production by use of a single tube, identical to those used in the final installation, consisting of banks of tubes.

Performance of the production unit conformed to test indications.

The collector, available in aluminum, carbon steel, or stainless steel, features instant accessibility for sanitary clean-up.

The unit is said to contain no moving parts, no filter media, requires no maintenance, occupies minimum space and is flexible in arrangement.

Coffee "fines" formerly lost to atmosphere or contaminated in final collection is now spouted directly from the collector hopper, to be blended with production.

The manufacturer offers a single tube test without obligation.

Arnsten named by Tenco

David H. Hampton, director of vending sales of Tenco, Inc., Linden, N. J., makers of instant coffees, has announced the appointment of Percy S. Arnsten as eastern regional manager.

He will be in charge of vending coffee sales in New England, New York, New Jersey, Pennsylvania, Ohio, West Virginia, Virginia, Maryland, Delaware and Washington, D.C.

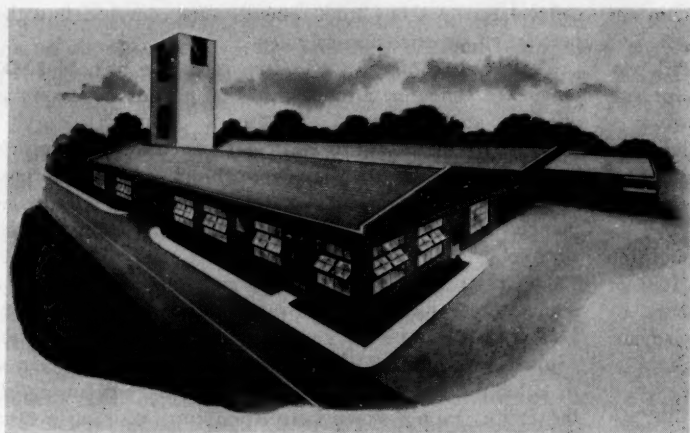
Mr. Arnsten has been with Tenco in a sales capacity since 1952. Prior to Tenco affiliation he was president of the Da Costa Corp. manufacturers of a coffee concentrate for the vending, food, candy and ice cream field.

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Trade processors shear the horns from the roaster's instant coffee dilemma — to get into it, or not to

The modern new Sol Café plant in Jamaica, on New York City's outskirts. It's one story except for the drying tower.

Case history: Instant coffee trade processor

the Sol Café story

To the coffee roaster not yet in solubles, instant coffee could be a frightening development—except for one thing.

These roasters note the growth of solubles—to 33 per cent of home consumption in 1954, according to one survey. They note the reported increase in the soluble market from \$125,000,000 in 1952 to \$250,000,000 in 1954. They feel a pressure—from salesmen and markets—to put their brands into soluble coffee.

And so they face the choice: to get into solubles, or not to.

The choice could be an impossible one—again, except for one thing.

What makes the choice difficult is capital investment. It takes a lot of money to build a soluble coffee plant—enough, in fact, to rule it out for the smallest companies. Enough, too, to make it a tremendously serious decision for the larger firms.

In addition to considerable capital, a soluble coffee plant needs technical know-how outside the roaster's ken. Once past roasting, soluble coffee manufacture is no longer coffee doings. It's chemical engineering.

But there is the one thing that shears the horns from the dilemma: the roaster can, if he wants to, get into solubles with virtually no capital investment. The answer is, of course, the trade processor.

Through the trade processor, the roaster can put his own instant brand on the market—and without risk.

That is the simple fact behind the recent tremendous expansion in this phase of the coffee industry.

A good deal of money, some of the better coffee minds, and a surprising proportion of soluble technical experience is now in trade processing.

Take, for example, the Sol Café Manufacturing Corp.

This trade processor has been operating, since the first of the year, out of a spanking new plant in Jamaica, on New York City's outskirts.

The plant is a modern building, basically a one-story structure, but dominated by the 100-foot drying tower. Sol Café feels it is the most modern in the country.

The plant is situated on an eight-acre tract, and already expansion plans are in process.

Sol Café formerly operated out of a plant on Gansevoort Street, in an old, tradition-steeped part of New York, but one which had a great deal lacking as a site for a modern instant coffee factory.

Sol Café has been making instant coffee since 1940. By regular coffee standards, that isn't long. Some coffee firms have been in existence for 100, 50 or 75 years. But by the instant coffee yardstick, this decade and a half was the period from cradle to majority.

Even so, coffee experience in Sol Café goes far beyond 1940. For example, Ernst G. Deutsch, president and "green" buyer, has been in coffee more than 35 years.

With the growth of the instant market, the status of the product has changed within coffee circles, too.

Connor F. Lawrence, general manager, notes that five years ago many coffee men didn't know how to tell instant coffee quality. Now they cup test against known brands and do a very nice job of checking soluble grades.

Green blend, Mr. Lawrence emphasizes, has a tremendous bearing on the final product. The processing has a levelling effect, narrowing the differences between coffees—but the differences are there.

In general, the trend in instants is toward the upper middle in quality, Mr. Lawrence comments. That is, the blends don't center either on the very low qualities or the very high ones.

Sol Café will give the roaster or food chain a soluble from his own green or roasted coffee—or will handle the whole thing for him, from buying the green to delivering the packaged retail product, and at a price which is competitive.

Brand roasters have never envied the complexities faced by trade roasters, who have many different blends of coffee to put through separately and simultaneously.

These complexities are multiplied in trade processing of instant coffee. What is required is a remarkable marriage of flexibility and efficiency.

The complexities are solved with smooth ingenuity in the new Sol Café plant.

Green coffee comes to the plant by truck and rail. A Pennsylvania Railroad spur adjoins the building, for use when needed.

The bags are unloaded from the trucks onto five-foot-square pallets, laid two bags long by one wide and four high, with the pattern reversed in alternate layers. That makes 12 bags to each pallet.

Two Lewis-Sheppard fork trucks take the pallets into the green coffee storage room, where they are stacked four or five high, under a 25-foot ceiling.

The storage is by types, and withdrawals under an air-tight inventory control is on a first-in, first-out basis.

Weight check

Each morning the fork truck operators are given a schedule of what bags are to be taken to the roasting room. The bags, of course, are coffees needed for specific blends.

At the green coffee dump, a weight check is made, for roasting and blend control. The loaded pallets are first weighed on a Howe platform scale. After the bags are emptied into the floor opening, the bags and the pallet are weighed again. The results go onto a green coffee dumping report sheet.

The roasting procedure is not unlike that in regular coffee plants, with the green coffee moving through Jabez Burns & Sons, Inc., stoners, cleaners, roasters and coolers.

After the coolers, the procedure begins to differ. The roasted coffee moves to a special arrangement of storage hoppers. These permit 20 different batches of roasted beans to be stored separately.

The storage arrangement consists of two large hoppers, between them able to hold three carloads of coffee. Vertical steel partitions divide the hoppers into a total of 20 bins. Each bin has, at the bottom, a discharge gate which is electrically controlled.

The beans are discharged into a screw conveyor which takes them to the grinders, B. F. Gump No. 666's.

The ground coffee is lifted by a bucket elevator to a Toledo Scale hopper—and at this point any resemblance to a regular coffee operation vanishes.

From this hopper weighed charges of roasted and ground

coffee—usually about 1,000 pounds—are conveyed into the percolation or extraction cylinders.

There are 16 of these cylinders, each able to hold 2,000 pounds of coffee, or a total of 32,000 pounds in process at one time.

Water for the extracting process is heated in high pressure boilers and is then discharged into the cylinders. The procedure is counter-current. Extract from one cylinder is pumped into the next, increasing the strength, until the desired solids content is reached.

The percolation period varies, and here is one of the points where specialized know-how becomes all-important. Darker roasts can be exposed longer in the extraction process without hurting the final product. The period is also varied to tailor the end product to regional needs. Balancing all the factors to pin down percolation time takes nice—and knowing—judgement.

The cylinders themselves are stainless steel units, designed by Sol Café. In fact, in the soluble portion of the manufacturing, all metal in contact with the product is stainless steel.

From the percolation cylinders, the extract is piped into holding tanks. Here the temperature is substantially reduced, in such a way as to prevent flavor deterioration.

Now come Sol Café laboratory checks. The liquid is tested for viscosity, specific gravity, turbidity and taste.

Tolerances have been set up, with a taste panel as the final check.

Like regular cup testing

That taste check is not unlike regular coffee cup testing. The liquid is tested for clarity, body, aroma and flavor.

Only batches which meet the standards go on to the next stages.

Some of the liquid is pumped into holding tanks for packaging into cans or gallon jugs. This is the coffee extract used in vending machines and as a flavoring in ice cream, confectionery and baking. The liquid is kept chilled, up to packaging, to retail the flavor.

In some instances the liquid is frozen, and moves to the filling department in that form.

For instant coffee, the liquid is piped 100 feet to the top of the spray dryer. At the top of the tower the liquid is

PLAY SAFE with dependable High Grade

INSTANT

**Experience, Skill and Quality Conscious Performance
are important ingredients of our 100% TRADE SERVICE**

atomized into a spray. As the droplets fall, they contact heated air which removes the moisture. Halfway down the particles are half dry, and when they reach the bottom, they are fully dry, solid particles of instant coffee.

The drying tower, the heart of the manufacturing process, is warmed up initially with gas. At a given temperature, the fuel is shifted to oil.

The tower is ravenous. It requires 18,000,000 BTU'S an hour.

The bottom of the tower, conical, has an eight inch opening through which the instant coffee particles pass into portable drums on casters. In these drums the product is rolled to the packing department.

This portable drum procedure is temporary. Now being worked out is a stainless steel pneumatic conveyor which will take the powder from the dryer to the filling machines.

Several types of packing lines are used. On one, a Pneumatic Scale vacuum filling machine turns out up to 300 jars per minute. Off sizes are handled on a semi-automatic line with Stokes & Smith pin-auger units.

Closing of the jars is done by Consolidated Packaging Machinery CaPeM automatic screw capping machines.

On a military packing line, foil packets of instant coffee can be turned out at the rate of 700,000 units a day, utilizing Stokes & Smith Model A5 automatic units.

Sol Café can make the product available in the standard instant coffee jars, with stippled shoulders and bottoms. They also have available private molds for jars with larger shoulders, with a different design in the glass, a larger label space, and in general a larger appearance.

The two-ounce jar remains the most popular size in Sol Café's production, but the four ounce jar is coming up fast, and there is now demand for five and six ounce units. Demand for a three-ounce jar originates among home delivery operators.

For roasters who want to meet competition with an instant for restaurants, Sol Café has an attractive pack of 12 four-ounce envelopes, in a carton carrying the brand imprint.

Sol Café services roasters and food chains through the Midwest and as far as the West Coast. In addition, the company has been meeting considerable demand in Canada and Europe.

This, then, is the type of operation which is taking the

dilemma out of instant coffee for many roasters.

Soluble is here to stay. Its growth is the single most significant coffee development in decades. Nor is the end of that growth yet in sight.

For the trade processor of instant coffee, that growth is both cause and effect. It has provided the basis for his great expansion. At the same time, he has helped bring about the enormous widening of the instant coffee market.

Nabob Coffee "quality" ad picked

by agency as its best in 1954

"Quality is always a bargain!"

That's the headline on an advertisement run last year at the peak of coffee prices in Canada. The ad was selected by James Lovick & Co., the advertising agency handling the account, as its best of 1954.

In an article in *Advertising Age*, Lovick gives this background on the ad:

"The development of the 1954 series of advertisements for Nabob coffee was keyed to the following problem:

"The retail price of coffee in Canada reached a peak last spring, and the increasing price spread between higher and lower priced coffees was creating great appeal for the latter.

"Nabob coffee was among the higher priced coffees—yet remained the largest selling coffee, by far, in western Canada.

"Our campaign for Nabob was designed to keep the majority of Western Canadians reaching for their favorite coffee and to switch as many people as possible to Nabob.

"In the enclosed advertisement, the slogan, 'Quality is Always a Bargain'—used with strong identification of the well-known Nabob package—offered two important benefits:

"1. It suggested to non-Nabob users that value, not price, makes a real coffee bargain.

"2. It said in effect to regular Nabob users, 'You are so right when you keep buying Nabob.'

"The copy message was themed to remind people that more coffee flavor—more for your money—is the natural result of using the finest quality coffee. This was backed by stressing the fact that more people in Western Canada buy Nabob coffee than any other brand.

"We believe this advertisement was effective in helping to maintain Nabob's leadership in the coffee field."

COFFEE

For Your Valuable PRIVATE LABEL

HARRISON COFFEE
CORPORATION

601 W. 26th St.
New York 1, N. Y.

what price solubles?

By **GEORGE HARRISON**, President
Harrison Coffee Corp.

Quality is well described as "proper stuff". It is always recognizable and preferred . . . a basic requirement for lasting success . . . a source of pride for the producer and distributor . . . a reason for contentment for the consumer. Most always the cost is a little more, but most always that bit more is the best insurance against the dissatisfaction that leads to disaffection.

Whether a price is low, fair or high commensurate with quality will always depend on the very personal attitude of those concerned in any exchange.

Attitudes in turn are complex, with their activating ingredients being the need to buy and eagerness to sell profitably and always influenced by regard for the item concerned. Regard for the item concerned therefore plays a dominant role in the chain of actions



that make up the sales cycle, and is important to any product whether it be steel, cloth or instant coffee.

The development of quality soluble is directly related to "regard" for the product, which in turn dictates the selection of suitable coffees and the extent to which they may be extracted without jeopardizing quality.

It is primarily in this area that cost and quality are determined. One has a direct bearing on the other. Compare the relative cost determinations as applied to coffee sold as roasted and coffee sold as soluble, omitting considerations of capital investment, packaging and distribution costs. Example: Coffee with a roasting shrinkage of 16% would cost approximately 3½% more than it would if the shrinkage were only 13%, while soluble processed from roasted coffee could cost approximately 14% more when a yield of 30% solids is compared with a yield of 35% of the roasted weight.

There is no denying that processing methods and skilled operation of suitable facilities have a telling influence on the results, but whether or not powders produced from the highest yield are satisfactory becomes a matter of personal assessment and depends again on the "regard" in which the product is held.

Convenience, saturation advertising and a wide range of promotional formulae have increased the popularity of instant coffee generally, so that well known regionals with a high quality soluble are finding it easier to sell their own brand instant coffee—at least as easy to sell their high grade instant as it is to sell their high grade roasted coffee—and certainly as profitable.

Consumers will buy a new soluble at least once if it bears the same brand name as the accustomed and reliably good roasted coffee they have been using, in the expectation that the soluble will have the same relative quality merits as the roasted coffee.

Soluble coffees have come a long way in a short time, with quality instant coffee making the journey possible. It must be apparent that such a show of strength assures continued growth of quality solubles and resolves a single question for any coffee firm, namely; "How much lead are we going to give or take over the competition?"

Coffee growing in Colombia is family farm operation

There are 397,083 coffee *fincas* in Colombia, it is reported by Andres Uribe, U. S. representative of the National Federation of Coffee Growers of Colombia, in his recently published book, "Brown Gold: The Amazing Story of Coffee."

Eighty-seven per cent are owned by single families cultivating fewer than five thousand acres.

Only five per cent of the capital invested in Colombia's coffee industry is foreign-owned.

QUALITY PRIVATE LABEL INSTANT



Just For INSTANTS



Processors of
Better Quality
Instant Coffees

Telephone
Flushing 3-1444-45

COFFEE INSTANTS, INC.

133-23 35TH AVENUE FLUSHING 54, N. Y.

**the coffee year
on the West Coast**
(Continued from page 30)

highs was the equally spectacular plunge in prices. Roasters found themselves with high priced coffee and Brazilians lost trying to hold the market to its minimum of 87 cents. The results might have seemed inevitable, but if anyone had tried to stop it during the rise, he would have been accused of trying to ruin relations with our continental friends.

From the lows following the April peak, prices rallied in May and June. Then prices began to sag under the influence of new production estimates which revealed that world production in 1954-1955 might surpass 1953-1954 due to the increased output in mild producing countries and Africa.

Roaster business was slow. Colombians sold a lot of coffee and at times under Brazils. Prices weakened further with rumors of devaluation. Finally, over the weekend of August 16th, 1954, the Brazilian coffee cruzeiro was devaluated from an effective rate of 23.36 to the dollar, to 31. This was another move to hold the weakening price of coffee to the same amount of cruzeiros to the producer, and presumably meet the world demand for lower dollar prices.

It meant that the old 87 cent minimum price would now be the equivalent of 65 cents f.o.b. producing country.

It should be obvious now that market highs, withholding surpluses, underestimation of production, sudden devaluation—all laid the foundation for an almost complete lack of faith in the future of coffee prices. This was most evident in the spreads between the near months and the distant futures on the Coffee Exchange. In August, 1954, they ran around the figure 5 or 6 cents, in December they were 18 cents. It also seems clear that if one country tries to maintain prices to a high level, she is merely holding the umbrella for others to unload. Colombia is said to have cleared her deck of any surplus coffee on hand during this period.

It was predicted that there could be a squeeze in nearbys in the fall of 1954, before the Colombian crop came in. This did happen, and stocks afloat or spots were at a premium. Futures continued to remain at a great discount and nearbys at a premium to this day.

The turn of the year found conditions pricewise even worse. One week in February, March futures, Santos 4's sold from 58 to 60 cents, next week they went down to 50 cents, but bounced back to 55 cents. Salvadors during this dip sold ex-dock below 50 cents. One day in April, Colombians were said to have dropped below 50 cents. However prices rallied on the fixing of minimums by Colombia, Mexico and other Central American Countries, only to dip and later recover on the news of the resignation of the Bra-

zilian finance minister and president of the Bank of Brazil.

For the next few months the opinion is that prices will hold at minimum levels at least for Brazil, Colombia and El Salvador.

Consumption during this spring period is up, and with low stocks held by roasters a rush to buy could develop and prices become strong. Spots today are at a premium, and to buy, the roaster wants the importer to "name the ship."

However, the picture should change as the industry enters the summer season, with its lower consumption, and the weight of the new crop begins to

come in. The continued wide spread between future and nearby quotations indicates a lack of confidence in the future price structure.

More eloquent than words in describing present conditions are the figures issued in the P.C.C.A. report on the receivers of coffee on the Pacific Coast. Allowances should be made for the fact that inventories have been greatly reduced over the 1953-54 period, but as 1955 progresses it should more truly reflect the decline in imports of coffee. The receipts of coffee declined from 3,374,203 bags in 1953 to 2,650,659 in 1954. Brazil declined from 1,269,854 in

(Continued on page 87)



**7 SEPARATE
AND DIRECT SERVICES
TO COLOMBIA AND
ECUADOR MEXICO
CUBA and HAITI**

SHIP VIA

FLOTA MERCANTE

Grancolombiana

General Agents

Transportadora Grancolombiana, Ltda.

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New Orleans and Houston: Texas Transport & Terminal Co., Inc.
Philadelphia: Lavino Shipping Co.
Los Angeles: Transmarine Navigation Corp.
San Francisco: Balfour, Guthrie & Co., Ltd.

Montreal: Robert Reford Co., Ltd.
Boston: Shepard Steamship Co.
Baltimore: Penn-Maryland S. S. Corp.

WEEKLY from
BARRANQUILLA
CARTAGENA to
NEW YORK
BALTIMORE
PHILADELPHIA

WEEKLY from
BUENAVENTURA
GUAYAQUIL
TUMACO-MANTA to
NEW YORK
BALTIMORE
PHILADELPHIA

WEEKLY from
BARRANQUILLA
CARTAGENA to
NEW ORLEANS
and HOUSTON

EVERY
10 DAYS from
BUENAVENTURA
GUAYAQUIL
TUMACO-MANTA
VERA CRUZ
TAMPICO to
NEW ORLEANS
and HOUSTON

FORTNIGHTLY from
HAVANA
VERA CRUZ
TAMPICO - TAMPA to
CANADA and BOSTON

FORTNIGHTLY from
SANTIAGO
PORT-AU-PRINCE
BARRANQUILLA
CARTAGENA
SANTA MARTA to
CANADA and BOSTON

FORTNIGHTLY from
Colombian, Ecuadorian,
Central American, and West Coast
Mexican Ports to North American
Pacific Coast Ports

SHIPS.....

the essential factor

in the COFFEE TRADE



Without ships, the American public would know coffee only as a rare and expensive luxury. Ships are an essential factor in the coffee trade.

To the maintenance of that trade, Moore-McCormack Lines devotes a major share of its operations. Its large fleet of modern ships, including the fast passenger-cargo liners of the Good Neighbor Fleet and big C-3 cargo liners which are the last word in efficiency, keeps coffee moving in an unceasing flow from Brazil northward to the United States.

The coffee trade can rest assured that, in the future as in the past, Moore-McCormack Lines will consistently devote its energies to the kind of service—swift, frequent and dependable—which will serve the best interests of the industry and the American consumer.

MOORE-McCORMACK
Lines New York 4
5 Broadway
OFFICES IN PRINCIPAL CITIES OF THE WORLD

Ship sailings

A SUMMARY OF INWARD-BOUND SCHEDULES ON THE COFFEE AND TEA BERTHS

Ports and dates are subject to change, should exigencies require. Moreover, lines may schedule sailings not shown in this schedule.

Abbreviations for lines

Abl Trans Car—Ablmann Trans Caribbean Line
Alcoa—Alcoa Steamship Co.
Am-Exp—American Export Lines
Am-Pres—American President Lines
ArgState—Argentine State Line
Am-W Afr—American-West African Line
Barb-Frn—Barber-Fern Line
Barb-W Afr—Barber-West African Line
Barb-Wn—Barber Wilhelmsen Line
Brodin—Brodin Line
Cunard—Brocklebanks' Cunard Service
Delta—Delta Line
Dodero—Dodero Lines
Ell-Buck—Ellerman & Bucknell S.S. Co.
Farrell—Farrell Lines
Grace—Grace Line
Granco—Transportadora Gran Colombiana, Ltda.
Gulf—Gulf & South America Steamship Co., Inc.
Hol-Int—Holland-Interamerica Line

IFC—I.F.C. Lines
Independence—Independence Line
JavPac—Java-Pacific Line
Lamp-Ho—Lampport & Holt Line, Ltd.
Lloyd—Lloyd Brasileiro
Lykes—Lykes Lines
Maersk—Maersk Line
Mam—Mamenic Line
Mormac—Moore-McCormack Lines, Inc.
Nedlloyd—Nedlloyd Line
Nopal—Northern Pan-American Line
Norton—Norton Line
PAB—Pacific Argentine Brazil Line
PacFar—Pacific Far East Line, Inc.
PacTrans—Pacific Transport Lines, Inc.
Pioneer—American Pioneer Line
Prince—Prince Line, Ltd.
R Neth—Royal Netherlands Steamship Co.
Robin—Robin Line
Royal Inter—Royal Intercean Lines
SCross—Southern Cross Line
Sprague—Sprague Steamship Line
Stockard—Stockard Line
Swed-Am—Swedish American Line
UFruit—United Fruit Co.
Wes-Lar—Westfal Larsen Co. Line
Yamashita—Yamashita Line

Abbreviations for ports

Ba—Baltimore
Bo—Boston
CC—Corpus Christi
Cb—Chicago
Chsn—Charleston
Cl—Cleveland
De—Detroit
Ga—Galveston
Gf—Gulf ports
Ha—Halifax
Ho—Houston
HR—Hampton Roads
Jx—Jacksonville
LA—Los Angeles
Ml—Montreal
Mo—Mobile
NO—New Orleans
NY—New York
Nf—Norfolk
NN—Newport News
Pa—Philadelphia
Po—Portland
PS—Puget Sound
Sa—Savannah
SF—San Francisco
Se—Seattle
St Jo—Saint John
Ta—Tacoma
Va—Vancouver

COFFEE BERTHS

| SAILS | SHIP | LINE | DUE |
|-----------------|-------------|--------|----------------------|
| ACAJUTLA | | | |
| 5/25 | Santa Fe | Grace | LA6/3 SF6/5 Se6/10 |
| 5/29 | Mataura | UFruit | C#6/1 NY6/9 |
| 6/2 | Santa Cruz | Grace | C#6/16 |
| 6/6 | Fiador Knot | UFruit | C#6/15 Ho6/22 N06/25 |
| 7/9 | Santa Cruz | Grace | LA7/18 SF7/20 Se7/25 |

| SAILS | SHIP | LINE | DUE |
|-----------------|----------|-------|--------------------|
| ACAPULCO | | | |
| 5/29 | Santa Fe | Grace | LA6/3 SF6/5 Se6/10 |

| SAILS | SHIP | LINE | DUE |
|----------------|-------------|--------|----------------------|
| AMAPALA | | | |
| 5/14 | Choluteca | UFruit | C#5/17 NY5/25 |
| 5/21 | Santa Fe | Grace | LA6/3 SF6/5 Se6/10 |
| 5/24 | Mataura | UFruit | C#6/1 NY6/9 |
| 6/6 | Santa Cruz | Grace | C#6/16 |
| 6/12 | Fiador Knot | UFruit | C#6/15 Ho6/22 N06/25 |
| 7/5 | Santa Cruz | Grace | LA7/18 SF7/20 Se7/25 |
| 7/8 | Santa Fe | Grace | C#7/18 |

| SAILS | SHIP | LINE | DUE |
|---------------------|----------------|---------------|------------------------------------|
| BARRANQUILLA | | | |
| 5/10 | Santa Teresa | Grace | Chsn5/16 NY5/18 |
| 5/14 | Frameggen | UFruit | NY5/28 |
| 5/17 | Santa Ana | Grace | Chsn5/23 NY5/25 |
| 5/17 | L.H. Carl | UFruit | N05/29 |
| 5/21 | Otta | UFruit | NY6/3 |
| 5/24 | Santa Catalina | Grace | Chsn5/30 NY6/1 |
| 5/27 | Flynderborg | Independence | LA6/15 SF6/17 Va6/22 Se6/23 Po6/25 |
| 5/28 | Byfjord | UFruit | NY6/10 |
| 5/30 | Aggersborg | UFruit | N06/12 |
| 5/31 | Santa Teresa | Grace | Chsn 6/6 NY6/8 |
| 6/4 | Marna | UFruit | NY6/17 |
| 6/5 | Colonia | Ahl Trans Car | Chicago via Great Lakes |
| 6/7 | Santa Ana | Grace | NY6/13 NY6/15 |
| 6/11 | Frameggen | UFruit | NY6/24 |

| SAILS | SHIP | LINE | DUE |
|-------|----------------|--------|----------------------|
| 6/13 | L.H. Carl | UFruit | N06/26 |
| 6/14 | Santa Catalina | Grace | Chsn 6/20 NY6/22 |
| 6/18 | Otta | UFruit | NY7/1 |
| 6/21 | Santa Cruz | Grace | LA7/18 SF7/20 Se7/25 |
| 6/25 | Byfjord | UFruit | NY7/8 |
| 6/27 | Aggersborg | UFruit | N07/10 |

| SAILS | SHIP | LINE | DUE |
|----------------|----------|--------|---------------|
| BARRIOS | | | |
| 5/13 | Copan | UFruit | NY5/21 |
| 5/15 | Leon | UFruit | Ho5/19 N05/22 |
| 5/20 | Manauqui | UFruit | NY5/28 |
| 5/22 | Telde | UFruit | Ho5/26 N05/29 |
| 5/27 | Mabay | UFruit | NY6/4 |
| 5/29 | Lempa | UFruit | Ho6/2 N06/5 |
| 6/3 | Lovland | UFruit | NY6/11 |
| 6/5 | Leon | UFruit | Ho6/9 N06/12 |
| 6/10 | Copan | UFruit | NY6/18 |
| 6/12 | Telde | UFruit | Ho6/16 N06/19 |
| 6/17 | Manauqui | UFruit | NY6/25 |
| 6/19 | Lempa | UFruit | Ho6/23 N06/26 |
| 6/24 | Mabay | UFruit | NY7/2 |
| 6/26 | Leon | UFruit | Ho6/30 N07/3 |

| SAILS | SHIP | LINE | DUE |
|---------------------|---------------|-------|----------------------|
| BUENAVENTURA | | | |
| 5/13 | Gulf Farmer | Grace | Ho5/5 N05/29 |
| 5/15 | Santa Fe | Grace | LA6/3 SF6/5 Se6/10 |
| 5/16 | Santa Barbara | Grace | NY5/23 |
| 5/23 | Santa Isabel | Grace | NY5/30 |
| 5/25 | Santa Rita | Grace | NY6/2 Bo6/5 Ba6/7 |
| 5/27 | Gulf Merchant | Grace | Ho6/8 N06/12 |
| 5/30 | Santa Maria | Grace | NY6/6 |
| 6/1 | Santa Adela | Grace | LA6/10 SF6/13 Se6/19 |
| 6/6 | Santa Luisa | Grace | NY6/13 |
| 6/10 | Gulf Shippper | Grace | Ho6/22 N06/26 |
| 6/13 | Santa Cecilia | Grace | NY6/20 |
| 6/14 | Santa Leonor | Grace | LA6/23 SF6/25 Se7/6 |

| SAILS | SHIP | LINE | DUE |
|-------|-----------------|-------|----------------------|
| 6/15 | Santa Olivia | Grace | NY6/22 Bo6/27 Ba6/30 |
| 6/20 | Santa Margarita | Grace | NY6/27 |
| 6/25 | Santa Juana | Grace | LA7/7 SF7/10 Se7/20 |

CARTAGENA

| | | | |
|------|-------------|--------|----------------------|
| 5/14 | Santa Rosa | Grace | NY5/18 |
| 5/15 | Frameggen | UFruit | NY5/28 |
| 5/18 | L.H. Carl | UFruit | N05/29 |
| 5/21 | Santa Paula | Grace | NY5/25 |
| 5/22 | Otta | UFruit | NY6/3 |
| 5/28 | Santa Rosa | Grace | NY6/1 |
| 5/29 | Byfjord | UFruit | NY6/10 |
| 5/31 | Aggersborg | UFruit | N06/12 |
| 6/4 | Santa Paula | Grace | NY6/8 |
| 6/5 | Marna | UFruit | NY6/17 |
| 6/11 | Santa Rosa | Grace | NY6/15 |
| 6/12 | Frameggen | UFruit | NY6/24 |
| 6/14 | L.H. Carl | UFruit | N06/26 |
| 6/18 | Santa Paula | Grace | NY6/22 |
| 6/18 | Santa Cruz | Grace | LA7/18 SF7/20 Se7/25 |
| 6/19 | Otta | UFruit | NY7/1 |
| 6/26 | Byfjord | UFruit | NY7/8 |
| 6/28 | Aggersborg | UFruit | N07/10 |

CORINTO

| | | | |
|------|-------------|--------|----------------------|
| 5/23 | Matura | UFruit | Cr6/1 NY6/9 |
| 6/5 | Fiador Knot | UFruit | Cr6/15 No6/22 N06/25 |
| 6/9 | Santa Cruz | Grace | Cr 6/16 |
| 7/11 | Santa Fe | Grace | Cr7/18 |

CRISTOBAL

| | | | |
|------|-----------------|--------|--------|
| 5/10 | Santa Margarita | Grace | NY5/16 |
| 5/11 | Aggersborg | UFruit | N05/16 |
| 5/17 | Santa Isabel | Grace | NY5/23 |
| 5/18 | Choluteca | UFruit | NY5/25 |
| 5/24 | Santa Barbara | Grace | NY5/30 |
| 5/24 | L.H. Carl | UFruit | N05/29 |
| 5/31 | Santa Maria | Grace | NY6/6 |

| SAILS | SHIP | LINE | DUE |
|-------|-------------|--------|--------|
| 6/2 | Matura | UFruit | NY6/9 |
| 6/7 | Santa Luisa | Grace | NY6/13 |
| 6/7 | Aggersborg | UFruit | N06/12 |
| 6/21 | L.H. Carl | UFruit | N06/26 |
| 7/5 | Aggersborg | UFruit | N07/10 |

DAR es SALAAM

| | | | |
|------|--------------|-------------|---|
| 5/20 | Leslie | Lykes | N07/5 |
| 5/21 | Afr Sun | Farrell | N06/20 |
| 5/27 | Van Waerwyck | Royal-Inter | SF7/11 LA7/17 Po7/30 Se8/5 Va8/8 |
| 6/11 | Houtman | Royal-Inter | LA8/2 SF8/7 Po8/13 Se8/16 Va8/18 |
| 6/12 | Lombok | Nedlloyd | NY7/18 Pa7/20 Ba7/22 LA8/7 SF8/10 Se8/16 Va8/20 Po8/24 |
| 6/14 | Afr Rainbow | Farrell | NY7/14 |
| 6/22 | Jesse | Lykes | N07/29 |
| 7/1 | Afr Noon | Farrell | N08/3 |
| 7/10 | Roebiah | Nedlloyd | NY8/17 Pa8/21 Ba8/23 LA9/7 SF9/10 Se9/16 Va9/20 Po9/24 |
| 8/5 | Lawak | Nedlloyd | NY9/17 Pa9/19 Ba9/21 LA10/6 SF10/10 Se10/16 Va10/20 Po10/24 |

EL SALVADOR

| | | | |
|------|-------------|--------------|------------------------------------|
| 5/19 | Washington | French | LA5/29 SF6/1 Va6/6 Se6/10 Po6/13 |
| 5/20 | Tritone | Italian | LA5/29 SF6/2 Va6/7 Se6/11 Po6/16 |
| 6/6 | Flynderborg | Independence | LA6/15 SF6/17 Va6/22 Se6/23 Po6/25 |

GUATEMALA

| | | | |
|------|-------------|--------------|------------------------------------|
| 5/21 | Tritone | Italian | LA5/29 SF6/2 Va6/7 Se6/11 Po6/16 |
| 5/23 | Washington | French | LA5/29 SF6/1 Va6/6 Se6/10 Po6/13 |
| 6/7 | Flynderborg | Independence | LA6/15 SF6/17 Va6/22 Se6/23 Po6/25 |

LA GUAIRA

| | | | |
|------|----------------|-------|------------------|
| 5/10 | Santa Monica | Grace | Ba5/17 NY5/18 |
| 5/12 | Santa Rosa | Grace | NY5/18 |
| 5/14 | Santa Ana | Grace | Chsn 5/23 NY5/25 |
| 5/17 | Santa Clara | Grace | Pa5/24 NY5/25 |
| 5/19 | Santa Paula | Grace | NY5/25 |
| 5/21 | Santa Catalina | Grace | Chsn 5/30 NY6/1 |

TO NEW ORLEANS AND OTHER U. S. GULF PORTS...FROM

SOUTH AMERICA

PARANAGUA, SANTOS, RIO DE JANEIRO, VICTORIA
Regular weekly sailings

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Regular three week sailings

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MISSISSIPPI SHIPPING COMPANY, INC. • NEW ORLEANS

AGENTS:

RIO DE JANEIRO: DELTA LINE, INC.

Rua Visconde Inhauma 134

SANTOS: DELTA LINE, INC.

Rua 15 de Novembre 176-178

LUANDA & LOBITO: Sociedade Luso-Americana, Ltda.

MATADI:

Nieuwe Afrikaansche Handels Vennootschap



| SAILS | SHIP | LINE | DUE |
|-------|----------------|-----------|-----------------------------|
| 5/24 | Santa Sofia | Grace | Ba5/31 NY6/1 |
| 5/28 | Santa Teresa | Grace | Chsn 6/6 NY6/8 |
| 5/31 | Colonia | Ahl Trans | Car Chicago via Great Lakes |
| 5/31 | Santa Clara | Grace | Pa6/7 NY6/8 |
| 6/4 | Santa Ana | Grace | Chsn 6/13 NY6/15 |
| 6/7 | Santa Clara | Grace | Ba6/14 NY6/15 |
| 6/9 | Santa Rosa | Grace | NY6/15 |
| 6/11 | Santa Catalina | Grace | Chsn 6/20 NY6/22 |
| 6/14 | Santa Sofia | Grace | Pa6/21 NY6/22 |
| 6/16 | Santa Paula | Grace | NY6/22 |

LA LIBERTAD

| | | | |
|------|-------------|--------|----------------------|
| 5/24 | Santa Fe | Grace | LA6/3 SF6/5 Se6/10 |
| 5/28 | Mataura | UFruit | Cr6/1 NY6/9 |
| 6/4 | Santa Cruz | Grace | Cr6/16 |
| 6/8 | Fiador Knot | UFruit | Cr6/15 Ho6/22 N06/25 |
| 7/6 | Santa Fe | Grace | Cr7/18 |
| 7/8 | Santa Cruz | Grace | LA7/18 SF7/20 Se7/25 |

LA UNION

| | | | |
|------|-------------|--------|----------------------|
| 5/12 | Choluteca | UFruit | Cr5/17 NY5/25 |
| 5/23 | Santa Fe | Grace | LA6/3 SF6/5 Se6/10 |
| 5/26 | Mataura | UFruit | Cr6/1 NY6/9 |
| 6/7 | Santa Cruz | Grace | Cr6/16 |
| 6/10 | Fiador Knot | UFruit | Cr6/15 Ho6/22 N06/25 |
| 7/7 | Santa Cruz | Grace | LA7/18 SF7/20 Se7/25 |
| 7/9 | Santa Fe | Grace | Cr7/18 |

LIMON

| | | | |
|------|------------|--------|--------|
| 5/13 | Marna | UFruit | NY5/21 |
| 5/20 | Frameggen | UFruit | NY5/28 |
| 5/22 | L. H. Carl | UFruit | N05/29 |
| 5/26 | Otta | UFruit | NY6/3 |
| 6/2 | Byfjord | UFruit | NY6/10 |
| 6/4 | Aggersborg | UFruit | N06/12 |
| 6/9 | Marna | UFruit | NY6/17 |
| 6/16 | Frameggen | UFruit | NY6/24 |
| 6/18 | L. H. Carl | UFruit | N06/26 |
| 6/23 | Otta | UFruit | NY7/1 |
| 6/30 | Byfjord | UFruit | NY7/8 |
| 7/2 | Aggersborg | UFruit | N07/10 |

LOBITO

| | | | |
|------|-------------|---------|----------|
| 5/18 | Afr Grove | Farrell | NY6/17 |
| 5/20 | Afr Patriot | Farrell | NY6/9 |
| 5/24 | Del Campo | Delta | N06/17 |
| 5/31 | Granville | Am-WAfr | USA 6/30 |
| 6/9 | Del Rio | Delta | N07/2 |
| 6/16 | Afr Dawn | Farrell | NY7/6 |
| 6/24 | Roseville | Am-WAfr | USA 7/15 |
| 6/27 | Del Sol | Delta | N07/22 |
| 7/18 | Del Oro | Delta | N08/12 |

LOURENCO MARQUES

| | | | |
|------|---------|-------|--------|
| 5/27 | William | Lykes | N06/29 |
| 6/6 | Jesse | Lykes | N07/29 |

LUANDA

| | | | |
|------|-------------|---------|----------|
| 5/15 | Afr Grove | Farrell | NY6/17 |
| 5/17 | Afr Patriot | Farrell | NY6/9 |
| 5/21 | Del Campo | Delta | N06/17 |
| 5/29 | Granville | Am-WAfr | USA 6/30 |
| 6/7 | Del Rio | Delta | N07/2 |
| 6/13 | Afr Dawn | Farrell | NY7/6 |
| 6/22 | Roseville | Am-WAfr | USA 7/15 |
| 6/25 | Del Sol | Delta | N07/22 |
| 7/16 | Del Oro | Delta | N08/12 |

MARACAIBO

| | | | |
|------|--------------|-----------|-----------------------------|
| 5/15 | Santa Clara | Grace | Pa5/24 NY5/25 |
| 5/22 | Santa Sofia | Grace | Ba5/31 NY6/1 |
| 5/29 | Santa Monica | Grace | Pa6/7 NY6/8 |
| 6/3 | Colonia | Ahl Trans | Car Chicago via Great Lakes |
| 6/5 | Santa Clara | Grace | Ba6/14 NY6/15 |
| 6/12 | Santa Clara | Grace | Pa6/21 NY6/22 |
| 6/19 | Santa Monica | Grace | Ba6/28 NY6/29 |

MAY, 1955

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SAILS SHIP LINE DUE

MATADI

| | | | |
|------|-------------|---------|----------|
| 5/12 | Afr Grove | Farrell | NY6/17 |
| 5/14 | Afr Patriot | Farrell | NY6/9 |
| 5/19 | Del Campo | Delta | N06/17 |
| 5/27 | Granville | Am-WAfr | USA 6/30 |
| 6/3 | Del Rio | Delta | N07/2 |
| 6/10 | Afr Dawn | Farrell | NY7/6 |
| 6/20 | Roseville | Am-WAfr | USA 7/15 |
| 6/23 | Del Sol | Delta | N07/22 |
| 7/14 | Del Oro | Delta | N08/12 |

MOMBASA

| | | | |
|------|--------------|-------------|---|
| 5/10 | Mayo | Lykes | Gulf 6/9 |
| 5/11 | Afr Sun | Farrell | NY6/20 |
| 5/27 | Van Waerwyck | Royal-Inter | SF7/11 LA7/17 Po7/30 Se8/5 Va8/8 |
| 6/4 | Afr Rainbow | Farrell | NY7/14 |
| 6/6 | Leslie | Lykes | Gulf 7/4 |
| 6/11 | Houtman | Royal-Inter | LA8/2 SF8/7 Po8/13 Se8/16 Va8/18 |
| 6/14 | Lumbck | Nedlloyd | NY7/18 Pa7/20 Ba7/22 LA8/7 SF8/10 Se8/16 Va8/20 Po8/24 |
| 6/21 | Afr Moon | Farrell | NY8/3 |
| 7/3 | Jesse | Lykes | N07/29 |
| 7/12 | Roebliah | Nedlloyd | NY8/17 Pa8/21 Ba8/23 LA9/7 SF9/10 Se9/16 Va9/20 Po9/24 |
| 8/8 | Lawak | Nedlloyd | NY9/17 Pa9/19 Ba9/21 LA10/7 SF10/10 Se10/16 Va10/20 Po10/24 |

PARANAGUA

| | | | |
|------|--------------|----------|-----------------------------------|
| 5/10 | Buenos Aires | Stockard | NY5/29 Ba5/31 Pa6/2 |
| 5/10 | Trader | PAB | LA6/4 SF6/6 Va6/11 Se6/13 Po6/17 |
| 5/12 | Alcyon | IFC | NY5/30 Pa6/2 Ba6/3 Bo6/6 Mi6/11 |
| 5/14 | Mormacteel | Mormac | NY5/27 Bo5/29 Ba5/31 Pa6/1 |
| 5/14 | Antonina | Brodin | Ba6/3 NY6/5 Bo6/7 Pa6/8 |
| 5/14 | Degeroe Ing | Nopal | N06/5 Ho6/8 |
| 5/21 | Mormactide | Mormac | Nf6/9 Ba6/10 Pa6/12 Bo6/14 NY6/16 |
| 5/23 | Del Santos | Delta | N06/14 Ho6/19 |
| 5/27 | Paranagua | Brodin | Ba6/14 NY6/16 Bo6/18 Pa6/19 |
| 5/29 | Mormacstar | Mormac | NY6/18 Bo6/21 Pa6/22 Ba6/25 |

SAILS SHIP LINE DUE

| | | | |
|------|--------------|----------|---|
| 5/31 | Santos | Stockard | NY6/19 Ba6/21 Pa6/23 |
| 5/31 | Peter Jebson | Nopal | N06/21 Ho6/24 |
| 6/1 | Bow Santos | IFC | NY6/19 Pa6/21 Ba6/23 Bo6/26 Mi7/12 |
| 6/3 | Mormacgulf | Mormac | LA6/29 SF7/2 Po7/7 Se7/10 Va7/12 |
| 6/4 | Seafarer | PAB | LA6/30 SF7/2 Va7/8 Se7/9 Po7/13 |
| 6/4 | Del Alba | Delta | N06/25 Ho6/30 |
| 6/5 | Mormac dove | Mormac | Jx6/23 Ba6/27 Pa6/29 NY6/30 Bo7/2 Mi7/7 |
| 6/11 | Falkanger | Wes-Lar | LA7/14 SF7/18 Po7/25 Se7/31 Va8/3 |
| 6/13 | Del Viento | Delta | N07/5 Se7/10 |
| 6/21 | Montevideo | Stockard | NY7/10 Ba7/12 Pa7/14 |
| 6/26 | Bow Plate | IFC | NY7/12 Ba7/14 Pa7/16 Bo7/19 Mi7/24 |
| 6/27 | Del Valle | Delta | N07/19 Ho7/24 |
| 7/11 | Del Monte | Delta | N08/2 Ho8/7 |
| 7/18 | Forester | PAB | LA8/13 SF8/15 Va8/21 Se8/23 Po8/27 |

PORT SWETTENHAM

| | | | |
|-----|-----------|--------|---------------------------------------|
| 6/3 | Javanese | Prince | Ha7/5 Bo7/8 NY7/9 Pa7/14 Ba7/16 N7/20 |
| 7/3 | Cingalese | Prince | Ha8/4 Bo8/7 NY8/8 Pa8/13 Ba8/15 N8/19 |
| 8/3 | Malayan | Prince | Ha9/4 Bo9/7 NY9/8 Pa9/13 Ba9/15 N9/19 |

PUERTO CABELLO

| | | | |
|------|--------------|-----------|-----------------------------|
| 5/12 | Santa Rosa | Grace | NY5/18 |
| 5/16 | Santa Clara | Grace | Pa5/24 NY5/25 |
| 5/19 | Santa Paula | Grace | NY5/25 |
| 5/23 | Santa Sofia | Grace | Ba5/31 NY6/1 |
| 5/26 | Santa Rosa | Grace | NY6/1 |
| 5/30 | Santa Monica | Grace | Pa6/7 NY6/8 |
| 6/1 | Colonia | Ahl Trans | Car Chicago via Great Lakes |
| 6/2 | Santa Paula | Grace | NY6/8 |
| 6/6 | Santa Clara | Grace | Ba6/14 NY6/15 |
| 6/9 | Santa Rosa | Grace | NY6/15 |

PUNTARENUS

| | | | |
|------|-------------|--------------|------------------------------------|
| 5/17 | Tritone | Italian | LA5/29 SF6/2 Va6/7 Se6/11 Po6/16 |
| 5/18 | Santa Fe | Grace | LA6/3 SF6/5 Se6/10 |
| 5/20 | Mataura | UFruit | Cr6/1 NY6/9 |
| 6/1 | Fiador Knot | UFruit | Cr6/15 Ho6/22 N06/25 |
| 6/4 | Flynderborg | Independence | LA6/15 SF6/17 Va6/22 Se6/23 Po6/25 |

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| SAILS | SHIP | LINE | DUE |
|-------|------------|-------|----------------------|
| 6/13 | Santa Cruz | Grace | Cr'6/16 |
| 7/2 | Santa Cruz | Grace | LA7/18 SF7/20 Se7/25 |
| 7/15 | Santa Fe | Grace | Cr'7/18 |

RIO de JANEIRO

| | | | |
|------|---------------|----------|------------------------------------|
| 5/11 | Nordanger | Wes-Lar | LA6/9 SF6/12 Po6/19 Se6/25 Va6/30 |
| 5/13 | Buenos Aires | Stockard | NY5/29 Ba5/31 Pa6/2 |
| 5/14 | Del Mundo | Delta | N05/31 Ho6/5 |
| 5/14 | Alcyon | IFC | NY5/30 Pa6/2 Ba6/3 Bo6/6 M16/11 |
| 5/15 | Trader | PAB | LA6/4 SF6/6 Va6/11 Se6/13 Po6/17 |
| 5/18 | Brazil | Mormac | NY5/31 |
| 5/18 | Antonina | Brodin | Ba6/3 NY6/5 Bo6/7 Pa6/8 |
| 5/19 | Del Norte | Delta | N06/2 |
| 5/20 | Degeroe Ing | Nopal | N06/5 Ho6/8 |
| 5/27 | Mormacgulf | Mormac | LA6/29 SF7/2 Po7/7 Se7/10 Va7/12 |
| 5/28 | Del Santos | Delta | N06/14 Ho6/19 |
| 5/30 | Paranagua | Brodin | Ba6/14 NY6/16 Bo6/18 Pa6/19 |
| 6/2 | Del Sud | Delta | N06/16 |
| 6/3 | Santos | Stockard | NY6/19 Ba6/21 Pa6/23 |
| 6/4 | Peter Jebesen | Nopal | N06/21 Ho6/24 |
| 6/5 | Bow Santos | IFC | NY6/19 Pa6/21 Ba6/23 Bo6/26 M17/1 |
| 6/8 | Del Alba | Delta | N06/25 Ho6/30 |
| 6/9 | Seafarer | PAB | LA6/30 SF7/2 Va7/8 Se7/9 Po7/13 |
| 6/9 | Mormacgulf | Mormac | LA6/29 SF7/2 Po7/7 Se7/10 Va7/12 |
| 6/16 | Falkanger | Wes-Lar | LA7/14 SF7/18 Po7/25 Se7/31 Va8/3 |
| 6/18 | Del Viento | Delta | N07/5 Ho7/10 |
| 6/23 | Del Mar | Delta | N07/7 |
| 6/24 | Montevideo | Stockard | NY7/10 Ba7/12 Pa7/14 |
| 6/28 | Bow Plate | IFC | NY7/12 Ba7/14 Pa7/16 Bo7/19 M17/24 |
| 7/2 | Del Valle | Delta | N07/19 Ho7/24 |
| 7/7 | Del Norte | Delta | N07/21 |
| 7/15 | Del Monte | Delta | N08/2 Ho8/7 |
| 7/24 | Forester | PAB | LA8/13 SF8/15 Va8/21 Se8/23 Po8/27 |

SAN JOSE

| | | | |
|------|------------|-------|----------------------|
| 5/26 | Santa Fe | Grace | LA6/3 SF6/5 Se6/10 |
| 6/1 | Santa Cruz | Grace | Cr'6/16 |
| 7/3 | Santa Fe | Grace | Cr'7/18 |
| 7/11 | Santa Cruz | Grace | LA7/18 SF7/20 Se7/25 |

SANTOS

| | | | |
|------|---------------|----------|--|
| 5/11 | Del Mundo | Delta | N05/31 Ho6/5 |
| 5/12 | Buenos Aires | Stockard | NY5/29 Ba5/31 Pa6/2 |
| 5/13 | Trader | PAB | LA6/4 SF6/6 Va6/11 Se6/13 Po6/17 |
| 5/13 | Alcyon | IFC | NY5/30 Pa6/2 Ba6/3 Bo6/6 M16/11 |
| 5/14 | Mormacisle | Mormac | NY5/27 Ba5/29 Ba5/31 Pa6/1 |
| 5/16 | Brazil | Mormac | NY5/31 |
| 5/17 | Antonina | Brodin | Ba6/3 NY6/5 Bo6/7 Pa6/8 |
| 5/18 | Del Norte | Delta | N06/2 |
| 5/18 | Degeroe Ing | Nopal | N06/5 Ho6/8 |
| 5/19 | Mormactea | Mormac | Jx6/3 Ba6/7 Pa6/9 NY6/10 Bo6/12 M16/16 |
| 5/25 | Del Santos | Delta | N06/14 Ho6/19 |
| 5/25 | Mormactide | Mormac | Nf6/9 Ba6/10 Pa6/12 Bo6/14 NY6/16 |
| 5/29 | Paranagua | Brodin | Ba6/14 NY6/16 Bo6/18 Pa6/19 |
| 6/1 | Del Sud | Delta | N06/16 |
| 6/1 | Mormacgulf | Mormac | LA6/29 SF7/2 Po7/7 Se7/10 Va7/12 |
| 6/2 | Santos | Stockard | NY6/19 Ba6/21 Pa6/23 |
| 6/2 | Peter Jebesen | Nopal | N06/21 Ho6/24 |
| 6/3 | Mormacstar | Mormac | NY6/18 Bo6/21 Pa6/23 Ba6/25 |
| 6/4 | Bow Santos | IFC | NY6/19 Pa6/21 Ba6/23 Bo6/26 M17/1 |
| 6/6 | Del Alba | Delta | N06/25 Ho6/30 |
| 6/7 | Seafarer | PAB | LA6/30 SF7/2 Va7/8 Se7/9 Po7/13 |
| 6/8 | Mormacdove | Mormac | Jx6/23 Ba6/27 Pa6/29 NY6/30 Vo7/2 M17/17 |
| 6/14 | Mormacyork | Mormac | Nf6/28 Ba6/29 Pa7/1 Bo7/2 NY7/3 |
| 6/15 | Del Viento | Delta | N07/5 Ho7/10 |
| 6/15 | Falkanger | Wes-Lar | LA7/14 SF7/18 Po7/25 Se7/31 Va8/3 |
| 6/22 | Del Mar | Delta | N07/7 |
| 6/23 | Montevideo | Stockard | NY7/10 Ba7/12 Pa7/14 |
| 6/27 | Bow Plate | IFC | NY7/12 Ba7/14 Pa7/16 Bo7/19 M17/24 |
| 6/29 | Del Valle | Delta | N07/19 Ho7/24 |
| 7/6 | Del Norte | Delta | N07/21 |
| 7/13 | Del Monte | Delta | N08/2 Ho8/7 |
| 7/22 | Forester | PAB | LA8/13 SF8/15 Va8/21 Se8/23 Po8/27 |

TANGA

| | | | |
|------|--------------|-------------|--|
| 5/16 | Afr Sun | Farrell | NY6/20 |
| 5/27 | Van Waerwyck | Royal Inter | SF7/11 LLA7/17 Po7/30 Se8/5 Va8/8 |
| 5/28 | Leslie | Lykes | N07/5 |
| 6/9 | Afr Rainbow | Farrell | NY7/14 |
| 6/11 | Houtman | Royal Inter | LA8/2 SF8/7 Po8/13 Se8/16 Va8/18 |
| 6/13 | Lombok | Nedfloyd | NY7/18 Pa7/20 Ba7/22 LA8/7 SF8/10 Se8/16 Va8/20 Po8/24 |

MAY, 1955

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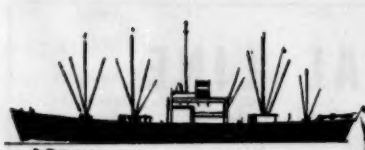
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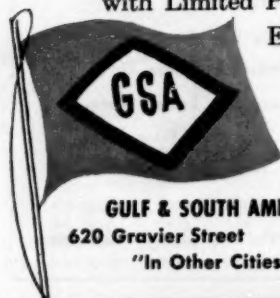
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Tel. Dlgby 4-6000
Agents and Offices in All Principal Cities

| SAILS | SHIP | LINE | DUE |
|-------|----------|----------|--|
| 6/26 | Afr Moon | Farrell | NY8/3 |
| 6/28 | Jesse | Lykes | N07/29 |
| 7/11 | Roebiah | Nedlloyd | NY8/17 Pa8/21 Ba8/23 La9/7 SF9/10 Se9/16 Va9/20 Po9/24 |
| 8/7 | Lawak | Nedlloyd | NY9/17 Pa9/19 Ba9/21 LA10/7 SF10/10 Se10/16 Va10/20 Po10/24 |

VICTORIA

| | | | |
|------|------------|-------|---------------|
| 5/16 | Del Mundo | Delta | N05/31 Ho6/5 |
| 5/30 | Del Santos | Delta | N06/14 Ho6/19 |
| 6/10 | Del Alba | Delta | N06/25 Ho6/30 |
| 6/20 | Del Viento | Delta | N07/5 Ho7/10 |
| 7/4 | Del Valle | Delta | N07/19 Ho7/24 |
| 7/18 | Del Monte | Delta | N08/2 Ho8/7 |

TEA BERTHS

CALCUTTA

| | | | |
|------|--------------|----------|------------------------------------|
| 5/22 | City Bristol | Ell-Buck | Bo6/23 NY6/24 Pa6/28 Nf6/30 Ba7/1 |
| 5/23 | Excelsior | Am-Exp | Bo6/27 NY6/28 |
| 6/8 | Bawean | JavPac | LA7/12 SF7/16 Po7/20 Se7/23 Va7/25 |

COCHIN

| | | | |
|------|-------------|--------|---|
| 5/11 | Eastern | Prince | Ha6/4 Bo6/7 NY6/8 Pa6/13 Ba6/15 |
| 5/19 | Exemplar | Am-Exp | Bo6/14 NY6/15 |
| 6/1 | Silverspray | Kerr | Ha6/30 Bo7/2 NY7/3 Pa7/7 Ba7/8 Nf7/10 Gulf7/15 |
| 6/1 | Excelsior | Am-Exp | Bo6/27 NY6/28 |
| 6/11 | Javanese | Prince | Ha7/5 Bo7/8 NY7/9 Pa7/14 Ba7/16 |
| 7/11 | Cingalese | Prince | Ha8/4 Bo8/7 NY8/8 Pa8/13 Ba8/15 Nf8/19 |
| 8/11 | Malayan | Prince | Ha9/4 Bo9/7 NY9/8 Pa9/13 Ba9/15 Nf9/19 |

COLOMBO

| | | | |
|------|-------------|----------|--|
| 5/12 | Manaar | Cunard | Bo6/12 NY6/14 Pa6/20 Nf6/22 Ba6/23 |
| 5/12 | Mahanada | Cunard | Sa6/11 N06/16 Mo6/19 Ho6/24 Ga6/27 |
| 5/15 | Exemplar | Am-Exp | Bo6/14 NY6/15 |
| 5/19 | Trein | Maersk | NY6/20 Mf7/4 |
| 5/19 | Bonneville | Barb-Frn | Gulf 7/1 |
| 5/20 | Riouw | JavPac | SF7/4 LA7/11 Po7/27 Se8/1 Va8/6 |
| 5/29 | Excelsior | Am-Exp | Bo6/27 NY6/28 |
| 5/29 | Silverspray | Kerr | Ha6/30 Bo7/2 NY7/3 Pa7/7 Ba7/8 Nf7/10 Gulf 7/15 |
| 6/1 | Eidanger | Maersk | NY7/4 Mf7/16 |
| 6/1 | Leoville | Barb-Frn | Gulf 7/16 |
| 6/8 | Javanese | Prince | Ha7/5 Bo7/8 NY7/9 Pa7/14 Ba7/16 |
| 7/8 | Cingalese | Prince | Ha8/4 Bo8/7 Pa8/8 Pa8/13 Ba8/15 Nf8/19 |
| 8/8 | Malayan | Prince | Ha9/4 Bo9/7 NY9/8 Pa9/13 Ba9/15 Nf9/19 |

DJAKARTA

| | | | |
|------|---------------|----------|--|
| 5/10 | Aimee | Lykes | N06/29 |
| 5/13 | Eidanger | Maersk | NY7/4 Mf7/16 |
| 5/16 | Javanese | Prince | Ha7/5 Bo7/8 NY7/9 Pa7/14 Ba7/16 Nf7/20 |
| 5/28 | Pleasantville | Barb-Frn | Gulf 7/31 |
| 6/10 | Cingalese | Prince | Ha8/4 Bo8/7 NY8/8 Pa8/13 Ba8/15 Nf8/19 |
| 6/12 | Mandeville | Barb-Frn | Gulf 8/16 |
| 6/28 | Fernsea | Barb-Frn | Gulf 8/31 |
| 7/11 | Malayan | Prince | Ha9/4 Bo9/7 NY9/8 Pa9/13 Ba9/15 Nf9/19 |

DJIBOUTI

| | | | |
|------|------------|--------|--|
| 5/12 | Silvermoon | Kerr | Ha5/31 Bo6/2 NY6/3 Pa6/6 Ba6/7 Nf6/10 Gulf 6/15 |
| 5/19 | Manaar | Cunard | Bo6/12 NY6/14 Pa6/20 Nf6/22 Ba6/23 |
| 5/26 | Exemplar | Am-Exp | Bo6/14 NY6/15 |
| 6/8 | Excelsior | Am-Exp | Bo6/27 NY6/28 |

HONG KONG

| | | | |
|------|-------------|---------|----------------------|
| 5/15 | Pine Tree | JavPac | SF5/30 LA6/5 |
| | Mariner | | |
| 5/18 | Anna | Maersk | SF6/11 LA6/14 NY6/30 |
| 5/20 | Tudor | Barb-Wn | SF6/11 LA6/13 NY6/29 |
| 5/22 | Tide | Pioneer | NY6/29 |
| 5/29 | Golden Bear | JavPac | SF6/13 LA6/19 |
| 6/3 | Peter | Maersk | SF6/26 LA6/29 NY7/15 |
| 6/5 | Ferndale | Barb-Wn | SF6/27 LA6/29 NY7/15 |

KOBE

| | | | |
|------|-------|---------|----------------------|
| 5/10 | Sally | Maersk | SF5/25 LA5/28 NY6/11 |
| 5/11 | Sea | Pioneer | NY6/14 |

Coffee Movement In The U. S. Market

(Figures in 1,000 bags)

| | Total Entries | Brazil | Deliveries—from: Others | Total | Visible Brazil | Supply—1st of Others | Month Total |
|--------------------|------------------|--------|----------------------------|-------|-------------------|-------------------------|----------------|
| 1953 | | | | | | | |
| August | 1,079 | 408 | 630 | 1,038 | 712 | 38 | 750 |
| September | 2,157 | 1,090 | 836 | 1,926 | 724 | 401 | 1,125 |
| October | 1,313 | 732 | 766 | 1,498 | 720 | 483 | 1,203 |
| November | 1,551 | 761 | 701 | 1,388 | 863 | 365 | 1,228 |
| December | 2,181 | 1,142 | 1,095 | 2,237 | 1,203 | 332 | 1,535 |
| 1954 | | | | | | | |
| January | 998 | 838 | 821 | 1,659 | 1,075 | 385 | 1,460 |
| February | 1,746 | 664 | 1,278 | 1,942 | 881 | 511 | 1,392 |
| March | 1,866 | 735 | 1,224 | 1,959 | 755 | 479 | 1,234 |
| April | 1,350 | 634 | 814 | 1,448 | 852 | 365 | 1,217 |
| May | 1,089 | 532 | 499 | 1,031 | 687 | 362 | 1,049 |
| June | 1,231 | 303 | 789 | 1,092 | 452 | 439 | 891 |
| July | 868 | 162 | 592 | 754 | 311 | 596 | 907 |
| August | 674 | 247 | 552 | 799 | 438 | 640 | 1,078 |
| September | 740 | 266 | 529 | 795 | 320 | 572 | 892 |
| October | 846 | 518 | 398 | 916 | 543 | 590 | 1,133 |
| November | 1,087 | 501 | 488 | 989 | 403 | 512 | 915 |
| December | 1,068 | 975 | 1,122 | 2,097 | 1,035 | 532 | 1,567 |
| 1955 | | | | | | | |
| January | 1,416 | 605 | 871 | 1,476 | 738 | 446 | 1,184 |
| February | 1,144 | 411 | 874 | 1,285 | 567 | 425 | 992 |
| March | 1,390 | 434 | 1,027 | 1,461 | 194 | 541 | 735 |
| April (1-20) | 601 | 282 | 302 | 584 | | ... | ... |

Figures by N. Y. Coffee & Sugar Exchange, Inc., in bags of origin. (Preliminary)

| SAILS | SHIP | LINE | DUE |
|-------|----------|---------|----------------------|
| 5/25 | Anna | Maersk | SF6/11 LA6/14 NY6/30 |
| 5/26 | Tudor | Barb-Wn | SF6/11 LA6/13 NY6/29 |
| 5/27 | Tide | Pioneer | NY6/29 |
| 6/10 | Peter | Maersk | SF6/26 LA6/29 NY7/15 |
| 6/11 | Ferndale | Barb-Wn | SF6/27 LA6/29 NY7/15 |

SHIMIZU

| | | | |
|------|-------|---------|----------------------|
| 5/12 | Sally | Maersk | SF5/25 LA5/28 NY6/11 |
| 5/13 | Sea | Pioneer | NY6/14 |
| 5/27 | Anna | Maersk | SF6/11 LA6/14 NY6/30 |
| 5/29 | Tide | Pioneer | NY6/29 |
| 6/12 | Peter | Maersk | SF6/26 LA6/29 NY7/15 |

YOKOHAMA

| | | | |
|------|----------|---------|----------------------|
| 5/14 | Sea | Pioneer | NY6/14 |
| 5/15 | Sally | Maersk | SF5/25 LA5/28 NY6/11 |
| 5/30 | Tide | Pioneer | NY6/29 |
| 5/30 | Tudor | Barb-Wn | SF6/12 LA6/15 NY6/29 |
| 5/31 | Anna | Maersk | SF6/11 LA6/14 NY6/30 |
| 6/15 | Peter | Maersk | SF6/26 LA6/29 NY7/15 |
| 6/15 | Ferndale | Barb-Wn | SF6/27 LA6/29 NY7/15 |

¹ Accepts freight for New York, with transshipment at Cristobal, C. Z.

² Accepts freight for Atlantic and Gulf ports, with transshipment at Cristobal, C. Z.

Nash label credited for sales

gain on Lyons Aroma Coffee

The redesigned label for Lyons Aroma Coffee is credited by J. Lyons & Co., Ltd., Toronto, with boosting sales of one-pound cans 22.8 per cent and half-pound cans, 19 per cent.

Jim Nash, industrial designer, created the new package for Lyons.

J. P. Gledhill, director of marketing, said the new design basically "is the cause for our climbing volume."

Beech-Nut promotes two

Two new assistant vice presidents have been appointed by the Beech-Nut Packing Co. They are Sherman Morse, Jr., and A. J. Jefferson.

Mr. Morse is manager of operations at the Rochester plants and Mr. Jefferson is manager of all operations in Brooklyn.

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Free And Bonded Warehouses

Coffee—loss-leader or profit-maker?

(Continued from page 11)

coffee as part of the beverage department, summarized in Table 2.

Coffee accounts for 56 per cent of the department's gross sales, between regular and instant. Soft drinks yield only 25 per cent.

But how about beverage floor space? Here's how it breaks down:

The department has a total of 117 square feet of floor space. Regular coffee's 33 square feet is 28.2 per cent of this; instant coffee's 7.1 square feet is 6.0 per cent. The 40.1 square feet for both coffees is 34.2 per cent of the department's floor space.

Soft drinks have 51.4 square feet, or 44 per cent of the beverage department.

In other words, with a little over 34 per cent of the beverage department, coffee is producing 56 per cent of the profits and 77 per cent of the sales!

On unit basis, too

Or consider it on a unit basis. Of all the units in the store—the various product items multiplied by the number of each item—1.23 per cent was regular coffee, .54 per cent was instant, a total unit percentage of 1.77 for both coffees.

Yet regular coffee accounted for 4.31 per cent of total store sales, and instant coffee for 1.71 per cent, or 6.02 per cent for both coffees.

With less than 2 per cent of store units, coffee rolled up more than 6 per cent of store sales.

How does this compare with soft drinks? These beverages represented 4.05 per cent of the store units, a much heavier unit stock. Yet they brought in only .99 per cent of the store sales!

Clearly, then, coffee's return to the food store operator is greater than the share of the space it occupies. It is evident that more space for coffee would mean a greater yield per square foot in gross sales and in profits.

This would be true not only within the beverage department but in the store as a whole.

Consider these survey facts:

Regular coffee alone is third in total dollar sales out of 323 product groups, in the five-store analysis.

It is fourth in total dollar gross profit out of the 323 product groups.

In fact, in total dollar sales, regular coffee is topped only by whole departments—the meat department and the dairy department.

In total dollar gross profit, regular coffee is exceeded only by meat, produce and crackers and cookies—all departments!

Other products than coffee may show a higher profit per square foot, or a better per cent gross profit on sales—but we must not let food store operators become confused as to the source of their big profits.

The key to the top-level position of coffee as a profit item is simple: profit does not consist of either sales or margin: *profit is margin multiplied by turnover.*

The Foodtown study makes clear one thing—*coffee men need no longer take a back seat in the fight for shelf and display space.*

Coffee pays its own way—in spite of selling tactics that have obscured its real worth to stores.

These truths should be made evident. Pass this article down the line, within your own organization. Get a copy of the Foodtown Study from *Progressive Grocer*. Go over the figures with your salesmen.

You'll find more ammunition there than this quick article has brought to the surface.

But let's make this a starting point for a new attitude, one based on the reality of coffee as a top money maker for the food operator.

Let's not be satisfied with occasional deals for "weekend special" displays. Let's get more day-in, day-out shelf and display space.

Doing that will make more money for the food operator. Doing that will sell more coffee.

Try a coffeeklatch sales meeting,

suggests Printers' Ink article

Suppose you just want to have a short 20- to 30-minute sales get-together with your men? *Have yourself a sales meeting over a cup of coffee!*

This suggestion is advanced by William J. Tobin, editor of the Research Institute of America, in an article in *Printer's Ink*.

Titled "Coffeeklatch sales meeting," the article is headlined as a new idea in informal training.

"You can apply it; so can your divisional managers," the headline suggests. "Time is shorter; but the flavor lasts."

The article describes a cup-by-cup report on a meeting of this kind.

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Teletype: NY-1-613

Cable Address: WILCAFE, N. Y.



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Qualified Service to Roasters

R. C. WILHELM & CO., INC.

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NEW YORK 5, N. Y.

Editorials

The great no-profit-in coffee fallacy

Never underestimate the power of an idea.

Good ideas can work wonders. Wrong ideas can be devastating.

Consider the idea that coffee is a good traffic builder for the food store, but no help at all in profits.

That's an idea which you'll find everywhere among food store operators. You'll find it, too, among coffee men.

It's not a new idea. We've all been bumping into it for a long time.

It's an expensive notion. Probably it's responsible for millions of pounds of lost coffee sales each year.

It governs the food store operator's decisions on shelf space, positions and displays.

It shapes the attitude of the roaster's salesman, blunting his aggressiveness, forcing him to take his stand on the soft sands of apology for coffee's lack of profit to the store.

We now have evidence that we've been devastated by a wrong idea.

Coffee does build traffic, true! But it is also one of the most profitable items in the food store!

That's the conclusion indicated by the Foodtown Study conducted by Progressive Grocer, an exhaustive analysis of sales in five Foodtown Supermarkets in Cleveland, Ohio.

The results of the study, reported elsewhere in this issue, can be enormously important to the coffee industry.

Those results can bring to coffee a larger share of shelf space—a share more in proportion with the profit coffee brings to the store.

Those results can put coffee salesmen onto hard, solid ground, allowing them to go out and sell the food store operator on their product which is a top money maker.

Roasters might do well to study the article, "Coffee—loss-leader or profit-maker?" They might arrange to put a reprint of the article into the hands of every one of their salesmen. They might back it up with summary material on the study from Progressive Grocer.

The Foodtown Study puts a challenge to another idea, related to the great no-profit-in-coffee fallacy.

That is the axiom in food store operation that only items which meet, or top, the average mark-up make money, while below-average items are a drag on profits.

The study indicates that some of the best profit items in the store are also below-average mark-up items.

The reason is, of course, that profit does not consist of either sales or margin. *Profit is margin multiplied by turnover.*

With 1.1 per cent of the floor space, coffee produced 2.5

per cent of the total gross profit in the Foodtown stores!

With a little over 34 per cent of the floor space in the beverage department, coffee produced 77 per cent of the department's sales and 56 per cent of its profits!

With less than 2 per cent of the store units—the various product items multiplied by the number of each item—coffee rolled up more than 6 per cent of store sales!

In total dollar gross profit, regular coffee was exceeded only by meat, produce and crackers and cookies—all *departments!*

These are some of the facts which make it clear that coffee men need no longer take a back seat in the fight for shelf and display space.

Coffee pays its own way, handsomely.

Coffee is a top profit-maker.

Prices and consumption

The world coffee industry is trying to pick its way through a difficult situation.

In a continuing aftermath of the great price crisis of 1954, consumption in the United States is lagging.

This, plus larger production now on the way, has created a situation of chronic uncertainty.


At Rio de Janeiro, Brazil and Colombia laid out a plan which became the foundation for the proposal by the San Juan conference of FEDECAME for an International Coffee Bureau to build buffer stocks as a price stabilizing measure.

Meeting in New York, NCA's board of directors attributed the lag in consumption directly to consumer resistance to price levels, condemned violent price fluctuations and declared the indicated surplus is the result of under-consumption rather than over-production.

"While NCA recognizes the right of producing nations to take every action they can to protect their own economies, as they may be affected by coffee prices," the board said, "the Association, which has always believed that free trade is the ideal basis of trade between free peoples, could not endorse any plan or plans for coffee which tend to destroy or control free enterprise."

Price is important, of course. But if we become preoccupied with price—at the expense of taking steps to expand the market—we can aggravate all our current problems, instead of solving them.

Such preoccupation is a danger in the producing countries. It is equally a danger here.



*Importers
to the Tea Trade
since 1846*

— • —

Carter, Macy Company, Inc.

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MEMBER: TEA ASSOCIATION OF U.S.A.

tea now India's top export



By VALALE I. CHACKO, Editor and Publisher
Planting & Commerce
Ernakulam, India

Tea ranked first among India's exports in value in 1954 for the first time since tea began to form an item of the country's international trade. It was ahead of jute, the sturdy first-ranker, by Rs 100 million last year. Cotton and textiles, which usually took second place, were pushed to third.

The earning from tea exports was a thumping Rs 1315 millions.

1954 was a plantation year in many respects. The largest coffee crop of the century was harvested last year, and the Coffee Board, India's centralized coffee selling organization, sold over 21,000 tons, the highest-ever quantity in the home market. It exported over 9,300 tons, which was not the largest quantity, but what it earned was certainly by far the largest for Indian coffee in any year. The exported coffee fetched Rs 75 million last year.

The Coffee Board has been experimenting with a blend of 75 per cent Arabica Plantation and 25 per cent Robusta in the brew offered through its coffee houses, in an effort to popularize a standard blend which absorbs some of the coarser Robusta. The sensitive Indian palate has revolted against this, and after tasting the new brew from the coffee house on the verandah of the Central Hall of Parliament in New Delhi, the Parliamentarians turned their thumbs down on the blend scheme. The Minister for Commerce and Industry has agreed. So this short-lived experiment on changing the taste of coffee consumers ends, and the search for the long-term problem of selling the expanding Robusta output begins.

About 30 million pounds of tea should be added each year to India's crop when the 31,290 acres planted between 1943 and 1954 come into full bearing.

The International Tea Committee allowed India fresh extension of a total of 76,835 acres under tea during the

three agreement periods, 1943-48, 1948-50 and 1950-55. As on March 31st, 1954, the producers had used only 40 per cent, the permissible acreage. The principal reason for this backsliding was lack of funds.

There is more than the commercial view weighing on the question of where India should sell her tea.

There are those who believe that if we can produce it we should also be able to sell it. The other view is that if you want to sell a product to somebody, there is no place better than his doorstep. So India's biggest customer must be beguiled into drinking tea by offering it right at his doorstep.

The Auction Committee which was appointed to take a quick look at the problem and report has chosen, with Solomonic wisdom, to divide the total quantity of 200 million pounds offered at Mincing Lane, one half of it to be sold from India.

Finding the dividing idea good the committee decided that one half of what is to be sold from India should be sold this year and the other half as well from next year.

Thereafter India will sell about 540 million out of her total output of 640 million pounds from Calcutta and Cochin. Mincing Lane will be allowed to handle 100 million pounds of India tea.

The official version of the committee's recommendations, or the government's reactions to it, are not yet out, but the trade believes that the government will accept the committee's recommendations and that the reported versions are close to the committee's recommendations.

Biggest advertising program in its history mapped by McCormick & Co.

A national advertising program, the largest in the company's history, has been mapped for this year by McCormick & Co., Inc., world's largest spice and extract house, according to Charles P. McCormick, president and board chairman, in his statement to stockholders.

"Our plans for sales include an increase in units as well as in sales dollars," Mr. McCormick said, adding that the ad campaign would back up line expansion and increased service to consumers.

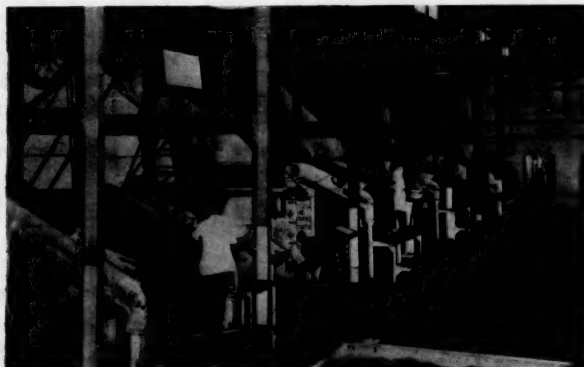
The advertising, he indicated, is an integral part of a ten-year program aimed at building an annual sales volume in excess of \$100,000,000.

Tea, but tea!

Two signs seen on opposite walls of a New York cafe:

"Tea, 5¢."

"Tea 10¢, BUT TEA."



Drying tea leaf in India

National Iced Tea Time (biggest yet) Breaks July 8

You'll be getting Tea Council's big advertising, publicity,
and promotion campaigns—plus a powerful assist

from **Sunkist**



Sunkist's merchandising staff will be putting up
60,000 posters like this one in grocery stores.

This year, National Iced Tea Time (July 8-22) gets a plug on every Iced Tea TV commercial; news and feature stories to thousands of newspapers, radio and TV stations; and more vigorous industry-wide merchandising than ever before.

For a Sunday punch, Sunkist will feature iced tea in their magazine ads and put up 60,000 "Iced Tea with Lemon" posters in top-volume grocery store produce departments across the country.

With this kind of support, a well-timed campaign of your own should help you break all Iced Tea sales records.

So—give it the works! Send your full sales force to bat on National Iced Tea Time. Plug it in your radio and TV promotion. Mention it in your correspondence—feature it in your ads.

tea council



of the U. S. A., Inc.

500 Fifth Avenue • New York 36, N. Y.

helping your salesmen get maximum results

By EDWIN H. LEWIS, School of Business Administration
University of Minnesota

Part I

Tea people find they have to fight harder for new sales gains.

Competition is sharper, from inside the industries and out. More dollars are being spent to put hard-hitting sales messages before the public. Shelf space in grocery stores is more difficult to get, and to hold.

Up and down the line, companies are sharpening every selling and merchandising weapon. Probably the pivotal factor is the salesman himself.

Here, developed for the Small Business Administration, Washington, D. C., are some down-to-earth pointers for policies that will help the salesman to turn in maximum results.

It is easy to send a salesman into the field to get business if and where he can find it. Few companies, however, can afford to be as casual as this in the coverage of their markets, because the failure to give clear responsibility for definite territories to specific salesmen results both in lost sales and in higher selling costs.

Year by year, businessmen are finding it necessary to give an increasing share of their attention to selling costs. Large companies have trained people who devote a great deal of time to this subject, but small firms can also improve their performance by doing a careful job on the analysis and control of selling activities. Until salesmen are responsible for a definite market area, little real progress can be expected toward attaining better sales control and performance.

The following suggestions can be used by any small company interested in setting up sales territories, and in establishing a routing schedule for them. The procedures are not difficult, and the advantages of a sound and systematic approach are many. A little thought given to the problem, and some practice with the techniques, will pay dividends in better control of salesmen, higher volume and lower selling costs.

Assigning market responsibilities

Several methods may be used to assign market responsibilities to salesmen. One procedure, used frequently by companies which have a small sales organization, is to have each salesman handle a *specified list of customers*. Every salesman, then, keeps the accounts which he has obtained and continues to work with them regardless of their location. When a new salesman is hired, he goes into the field and obtains new accounts wherever he can find them.

Over a period of time, however, a situation is almost cer-

tain to develop in which salesmen are following routes that resemble a rather poorly designed spider web. Result: wasted effort.

Clearly a sales organization operating in this fashion is penalized competitively by the higher costs resulting from inefficient marketing coverage. In addition, it is often not possible to fix sales responsibility properly. The longer this type of organization is permitted to function, the more unmanageable it becomes. The market pattern is literally a hodgepodge. Furthermore, once this method of covering a market is allowed to take root, it becomes harder and harder to shift to another approach. Changing to a system of assigned territories disrupts the working relationships between salesmen and customers, endangers the morale of the sales organization, and frequently results in the loss of both customers and salesmen. Obviously, a small business can ill afford this sort of thing.

A much better way of handling field assignments is to hold the salesmen responsible for a particular *geographical area*. This technique helps to insure that the company's entire market will be thoroughly covered. Hard-to-reach points are not avoided, and people who may be good potential customers are much less likely to be overlooked. It becomes the responsibility of each salesman, of course, to get his full share of the potential business in his territory. Appropriate sales quotas and other goals—including cost controls—can then be set up by territory with some expectation that they will be reached. Each salesman becomes an expert in the selling problems peculiar to his area, and he has a definite area of responsibility which serves as a constant challenge to him. In addition, field selling costs are re-



First prize winner in the food division of the annual folding carton competition was the Thomas J. Lipton 100 count tea bag package. The carton is produced by Alford Cartons, a division of the Continental Paper Co., Ridgefield Park, N. J. More than 6,780 entries were submitted in the national competition, sponsored by the Folding Paper Box Association of America.

duced as the result of more efficient coverage of the market.

It is not difficult for a small-business operator to set up sales territories which will give the desired results and the necessary degree of control. Only a few basic principles should be kept in mind:

Keep territory size practical.—The territory must be one which can be properly covered by the salesman—taking into account the number of existing customers, potential new customers, the amount of time the salesman is expected to spend with each, and the expected call frequency.

Salesmen must be able, with reasonable effort, to make the desired number of calls and give suitable attention to each of their accounts.

Plan efficient sales-call routes.—The territory must be one which can be routed properly. That is, the salesman must be able to cover it efficiently by automobile or public transportation. The locations of various topographical features such as mountain ranges, major rivers and lakes, will have a considerable bearing on territorial boundaries and, in many cases, size as well.

Use established geographical boundaries.—Wherever possible, territories should follow state or county lines. This approach not only establishes clear-cut boundaries, but also makes it easier to set up other control devices, such as sales quotas. It is difficult to determine quotas for areas which do not have political boundary lines.

Group counties by trading areas.—The establishment of territories usually involves the grouping together of several counties. Normally, counties should be grouped along trading-area lines to make a salesman's territory a natural and homogeneous market. This procedure is particularly necessary where a salesman sells to both wholesalers and

retailers. In such a case, the territory should follow the customary wholesale trading area lines. If it does not do so, a salesman may find himself calling on the retail customers of wholesalers who are being served by other salesmen.

Design territories for about equal potential.—To the extent that it is possible to do so, territories should be set up to yield approximately equal potential sales. This gives each salesman an essentially equal opportunity and tends to limit the cases in which salesmen claim that their performance is poor because their areas have low potentials. It may not, of course, be possible to attain this objective entirely, but both personal selling and advertising will be easier to control if the various potentials are kept approximately in balance.

(Next month: Setting up sales territories)

Report tea smuggling in Ireland

Tea smuggling was reported along the tense border separating northern and southern Ireland.

Frank Aiken, former foreign minister, said northern Irishmen—who live under the British crown—were taking advantage of cheaper tea prices in the south at the expense of the Irish Republic's taxpayers.

His charge came up during a debate in the Irish Republican Dail on changing the customs laws.

Mr. Aiken demanded to know how much the taxpayers of the Irish Republic were contributing to provide cheap tea for northern Ireland—tea that was being smuggled across the border.

Finance Minister Gerard Sweetman replied that unfortunately the people who smuggle tea make no report to the government, but so far withdrawals from the Republic's tea stocks were not above the average.

IRWIN-HARRISONS-WHITNEY, INC.

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MEDAN (SUMATRA) • TAIPEH (FORMOSA)

green tea processing methods

By PROFESSOR H. MAAS

(This review of green tea processing methods is translated from Kaffee-u. Tee-Makt, Hamburg.)

Three methods of manufacture are used in Japan, all Chinese in origin, but one has been so largely modified in the course of time by the Japanese that it may be called the Japanese method.

The first method is practically the same as the Chinese. The second has been partly qualified by the Japanese 'Kai Mari' process. The third has now become the special Japanese method, as in making "Sen Cha."

In Japan two kinds of tea beverages are distinguished, namely, leaf teas called Sen Cha, or Nama Cha, and tea dusts known as Macha, or Kiki Cha. Sen Cha we understand as green tea.

People attach different values to teas produced by the different methods, though they would seem to be simple and related.

In the first method, the leaves, after being aired, are put out in the sun, and are then rolled in a closed cylinder. The teas are then heated so that at least 50 per cent of the water contents are retained. At the end, however, the drying takes off about 25 per cent of the original leaf weight. The tea thus obtained has a grey-green look and is a marketable product which cannot be much improved by other processes.

For the second method (the combination of the Chinese method and Japanese Kai Mari) about 450 grams of leaves are heated in an iron to about 55° for four minutes, which takes off one-quarter of the leaf weight. Leaves a little wilted in the pan are to be lightly rolled until they become massy or lumpy, though complete crushing of the leaves should be avoided. The rolling should last 20 minutes.

At the end the whole mass is dried for six hours in the sun or heated at a temperature of 60° in a heating apparatus for 20 minutes. If the tea is meant for export, the rolling and drying would be repeated more than once, but in order to prevent discoloring and loss of taste, the concluding drying should not be done at higher than 70°c. The etherish oils can be retained only below this temperature.

Care is to be taken that only about 25 per cent of the original weight is taken off in the end-product. This prevents further fermentation and oxydation.

These handmade teas are appreciated in Japan not for aroma, but for their look. For judging these, one of the 30 standard solutions of comparable color categories is used.

The third method, the particularly Japanese one, is that of steaming the tea leaves in bamboo baskets at 80°c to 90°c for about 40 minutes. Then the mass is cooled and taken for four one-half-hour rolls with hands on a piece of paper laid on a metal net. After each roll, the tea is removed a little from the oven and carefully cooled. Then the tea is dried on a rack and put into a paper sack.

Longer drying improves the quality and taste, but the final drying of the product must be a single process. For better quality sorts, a heating apparatus may be used. For the

common sorts, the water content is reduced in tinned pans.

The third method differs from the preceding two in the fact that it uses steam in handling the teas, and aims at picking the color. Something like this is found in the manufacture of Paraguay tea or maté.

The sudden application of heat by steaming deadens the protoplasm and cells and hardens the epidermis, so that there cannot be loss of color through further fermenting and oxydation into brown.

This special Japanese tea gives a more beautifully-colored green tea than the first two methods, and the liquor is also green. But the aroma content is higher in the teas manufactured by the Chinese methods. However, these Japanese teas are sought for their color and look, and not for taste and flavor, particularly in the export markets. The teas prepared by the Chinese methods are generally consumed at home.

Ceylon, India join to promote

tea consumption in West Germany

The Ceylon Tea Propaganda Board is joining the Central Tea Board of India and the German tea trade in a campaign of tea promotion in West Germany.

This will be the third country where Ceylon and India have joined together for tea promotion since India resigned its membership of the International Board.

The first joint campaign was in the U.S.A., the second in Canada.



The Feltons—son John and C. William—having "Brunch with Judy".

Feltons talk tea on TV

John Felton, a member of the staff of WTVJ, Miami, Florida, introduced his father, William Felton of Henry P. Thomson Inc., New York City, as guest on the "brunch with Judy" show, following the U.S. Board of Tea Experts meeting.

A tea expert himself, Mr. Felton explained how and why the Board operates under the supervision of the U.S. Food and Drug Administration.

30-day trial for 2-ounce formula is key for 1955 iced tea restaurant drive

"Make it properly—promote it often," is the tea industry's theme for restaurant iced tea sales this season.

Tea packer salesmen will urge restaurateurs to give the two-ounce formula (two ounces of tea to the gallon of water) for iced tea a 30-day trial in their operations this summer. To help them promote it often, a full line of new display material has been developed.

When they are contacted, restaurateurs will be offered their choice of two methods of preparing two-ounce formula iced tea, both of which are officially endorsed by the National Restaurant Association. One is called the "regular method" and is a recipe for brewing one gallon of iced tea using two ounces of tea. The other is called the "concentrate method" and provides a recipe for making one gallon of very strong tea which is added to four gallons of cold water to give five gallons of finished brew.

Both formulas produce a full flavored drink equivalent to the iced tea people make and drink in their homes. Evidence that a properly made product increases sales is very conclusive. Since the two-ounce formula was first introduced in 1948, over 34 per cent of the nation's restaurants have adopted it. It is estimated that these restaurants do about 46 per cent of total iced tea volume.

The latest Tea Council survey shows that since 1948, overall restaurant iced tea sales have increased 6,000,000 pounds—or 960,000,000 servings. At an average of ten cents a glass that is a sales increase for 1954 over 1948 of

Midyear Tea Meeting report in next issue

Full reports on the fourth annual Midyear Meeting of the Tea Association will appear in the next issue of COFFEE & TEA INDUSTRIES, formerly *The Spice Mill*.

This year's event, which took place at the Hotel Biltmore in New York City after this issue went to press, was held with new recognition as one of the industry's most decisive annual get-togethers.

A special section on the Midyear Meeting was included in the last issue of COFFEE & TEA INDUSTRIES, which was distributed at the session.

\$96,000,000. At a 23 per cent food cost, including tea, lemons, sugar and ice, this realized increase, and the tremendous potential open to restaurants, is of very real dollar importance to restaurateurs.

The display materials for the 1955 iced tea season include a 32-inch paper iced tea glass, a 32-inch mounted iced tea glass, a 10-inch diecut iced tea glass, a 20 by 4 inch back bar strip, menu tip-ons, plus a brochure of two-ounce formula success stories and recipe cards giving brewing instructions for the two methods.

Londoner named tea taster

at Tetley's Savannah plant

Alan Davies, a 20-year old Londoner, has been named a tea taster at the Savannah, Ga., plant of the Tetley Tea Co.

He served his apprenticeship in England.

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tea is a magic brew

**You can tell whether trouble is on the way, a stranger is coming,
or stir up trouble among friends — if you believe tea superstitions.**

By JERRY KLEIN

(This round-up of intriguing tea superstitions is from "Lipton News", Thomas J. Lipton, Inc., house organ.)

In the weird realm of superstition and folklore, tea is a magic brew. No event in its making or serving lacks its own very special meaning for the superstitious.

Modern science has proved the truth of at least one of these tea superstitions—the old belief that you should apply tea leaves to a burn. Today we know that the tannic acid contained in tea does indeed help to heal burns.

But as for the other notions about tea—well, let each of us judge for himself.

For example, there's the belief that a tea leaf floating in a cup foretells the arrival of a stranger. Some believers take the leaf, place it on the back of the left hand and tap it with the other hand until the leaf comes loose. The number of taps required to loosen the leaf is supposed to be the number of days before the mysterious stranger appears.

The teapot is surrounded by superstitious beliefs. Break it and worse trouble supposedly will cross your path. It's equally unlucky to pour left-over tea back into the pot.

Kisses are coming

Stir the teapot and you stir up trouble among friends, the saying goes. But don't worry. Bubbles on tea mean that "kisses are coming."

Another strange belief is that by putting milk or cream into your tea before the sugar "you run the risk of losing your sweetheart."

And here's a tip for you men: "If a girl lets a man pour her out a second cup of tea, she will succumb to his designs."

According to a British superstition, it's bad luck for two people to pour from the same pot. However, this is contradicted by another British belief that if husband and wife pour together, they will be blessed with children.

Other weird notions center around the tea kettle. For instance, it's supposed to be unlucky to drain the kettle dry. And the singing of a kettle means that good news is on its way.

Of course, fortune-telling by means of tea leaves is an old custom. No one knows exactly how much is spent each year for so-called gypsy tea readings, but estimates run into the millions of dollars.

The ancient Chinese thought that tea was a cure-all, with supernatural powers. In the belief that tea was derived from the gods in heaven, they made their tea bowls without handles, imitating the perfectly round shape of the sun itself. And the Chinese valued the beverage so highly they called it "liquid jade."

"Tea is better than wine," said Emperor Shen-Nung, "for it leadeth not to intoxication; neither does it cause a man to say foolish things and repent thereof in his sober moments."

"The first cup of tea moistens my lips and throat," wrote another ancient Chinese, "the second cup shatters my loneliness, the third causes the wrongs of life to fade gently from my recollection, the fourth purifies my soul, while the fifth lifts me to the realm of the unwinking gods!"

Tea is part of all ceremonies at which superstitious Chinese seek the favor of good spirits—birthdays, anniversaries, weddings, funerals.

"Drink tea and the animal spirits will be lively and clear," it is said.

Of course, all visitors in China were served a cup of tea after being seated, by superstitious custom, at the left of their host. Superstition also forbade a guest to sip his tea until he has been urged to do so several times, each time replying modestly, "Thank you, but I am not worthy."

However, in some parts of China, when the guest finally tastes his tea, it's a signal that he wants to go home. As soon as he touches the cup, as a matter of fact, servants get his sedan-chair ready to leave. On the other hand, if the host drinks before his guest, he "thus delicately notifies the visitor that he has business engagements elsewhere."



Restaurant Management

"Tea on the rocks . . ."

**Red China's tea output low,
more production sought**

Tea output in Communist China has not reached the prewar level, and steps are being taken to increase the production, according to Hong Kong dispatches reported by Khalid Askary, Karachi correspondent of COFFEE & TEA INDUSTRIES.

The *Peking Peoples Daily* said cold weather in the tea producing areas last winter and this spring had caused widespread damage to tea crops. It demanded "strong steps" to set tea farmers at work salvaging the crops.

Tea production had not kept pace with domestic and foreign demand, the newspaper said.

It urged reclamation of neglected tea plantations and the opening up of new areas for tea production.

Chekiang, China's biggest tea producing province, plans 2,000 tons of tea this year, six per cent more than last year, the new China News Agency reported.

The agency said state trading organizations "supplied thousands of tons of chemical fertilizer to tea growers who were carrying out sub-feeding and pruning of tea shrubs."

Two British businessmen, members of the unofficial British trade mission which visited China, said on their arrival in Hong Kong from Canton that they purchased "quite a reasonable quantity" of tea in China.

They were S. Bodington and A. N. Silver, directors of the London Export Corporation.

Mr. Silver said the Chinese tea would be mixed with various other brands of tea for sale in Britain.

They declined to say the exact amount of tea bought, but said that it was mainly black tea of "good but low grade" quality at a "reasonable price."

**Pakistan makes it easier
to transfer export quotas**

The Pakistan Tea Act has been amended to provide for greater facility in the transfer of export quotas.

The ordinance also provides for representation on the Pakistan Tea Board of the Ministry of Commerce and the Tea Traders' Association of Chittagong, comprising representatives of exporters, blenders, buyers and packers of tea.

Export of tea in sample packages not exceeding 20 pounds in weight has been allowed without export licence as air freight.

The tea industry had pointed out that the procedure involved in sending commercial samples by post was dilatory and adversely affects the tea trade.

**Section on tea in encyclopedia
is authored by George Mitchell**

One of the most succinct reviews of the technical aspects of the tea available anywhere is in a recently published encyclopedia.

Written by George Mitchell, former president of the Tea Association and retired head of the tea department of the General Foods Corp., the material appears in volume 13 of the Encyclopedia of Chemical Technology, published by The Interscience Encyclopedia, Inc., New York City.

Mr. Mitchell's material reviews the three primary kinds of tea, cultivation factors and practices, processing of green, oolong and black tea, the chemistry of tea, grading and legislative aspects.

Known throughout the industry, Mr. Mitchell is widely recognized as one of the top ranking authorities on tea in the country today.

MAY

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are in production.**

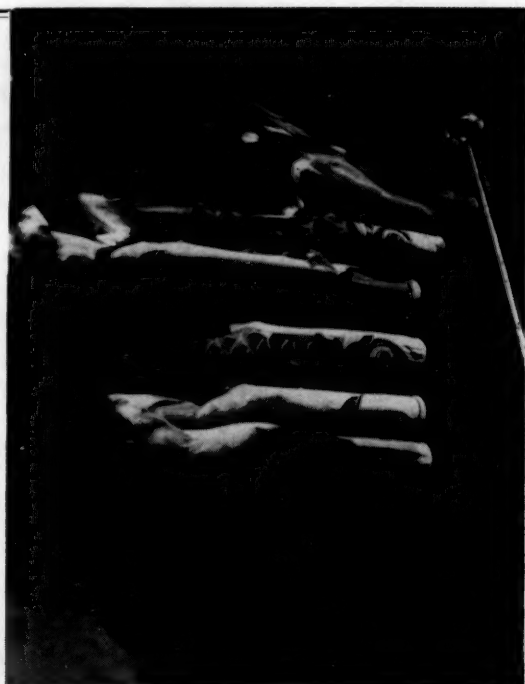
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Tea Movement into the United States

(Figures in 1,000 pounds)

| | Jan. 1954 | Feb. 1954 | Mar. 1954 | April 1954 | May 1954 | June 1954 | July 1954 | Aug. 1954 | Sept. 1954 | Oct. 1954 | Nov. 1954 | Dec. 1954 | Year 1954 | Jan. 1955 | Feb. 1955 | Mar. 1955 |
|---------------|--------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|---------------|
| Black | | | | | | | | | | | | | | | | |
| Ceylon | 3,093 | 3,756 | 4,401 | 7,062 | 6,749 | 4,742 | 1,585 | 1,022 | 2,190 | 1,653 | 1,640 | 1,963 | 39,856 | 2,363 | 2,201 | 5,055 |
| India | 4,048 | 4,049 | 5,129 | 6,432 | 3,945 | 3,167 | 1,588 | 1,545 | 2,144 | 2,283 | 2,410 | 3,385 | 40,871 | 3,188 | 5,067 | 7,203 |
| Formosa | 469 | 355 | 137 | 131 | 8 | 92 | 730 | 706 | 677 | 501 | 621 | 372 | 4,799 | 801 | 362 | 227 |
| Java | 700 | 904 | 1,330 | 1,165 | 1,114 | 1,167 | 882 | 429 | 329 | 667 | 688 | 629 | 10,004 | 1,206* | ... | ... |
| Africa | 66 | 272 | 710 | 517 | 733 | 1,272 | 708 | 258 | 677 | 272 | 67 | 132 | 5,710 | 134 | 199 | 319 |
| Sumatra | 613 | 593 | 497 | 260 | 629 | 494 | 280 | 130 | 385 | 137 | 289 | 386 | 4,691 | ... | ... | ... |
| Indonesia | | | | | | | | | | | | | | | 816 | 1,280 |
| Japan | | | | | | | | | | | | | | | 217 | 160 |
| Misc. | 405 | 306 | 180 | 431 | 845 | 274 | 253 | 266 | 580 | 571 | 452 | 923 | 5,461 | 489 | 653 | 871 |
| Green | | | | | | | | | | | | | | | | |
| Japan | 459 | 60 | 57 | 184 | 226 | 328 | 371 | 532 | 512 | 242 | 249 | 179 | 3,399 | 231 | 27 | 13 |
| Misc. | ... | ... | ... | 31 | 5 | 5 | 43 | 40 | 12 | 64 | 29 | 27 | 249 | 16 | 5 | 3 |
| Oolong | | | | | | | | | | | | | | | | |
| Formosa | 14 | 27 | 11 | 49 | 12 | 21 | 20 | 19 | 58 | 70 | 36 | 39 | 377 | 5 | 36 | 9 |
| Canton | 1 | ... | ... | ... | ... | ... | 6 | 28 | 28 | 10 | 14 | 6 | 93 | 2 | ... | ... |
| Sentd Cntn | ... | ... | ... | ... | ... | 2 | ... | 22 | 14 | 10 | 13 | 3 | 64 | 2 | 2 | 7 |
| Misc. | 8 | 3 | 3 | ... | ... | 18 | 2 | ... | 26 | ... | 14 | 7 | 3 | ... | ... | ... |
| Mixed | ... | ... | 2 | 4 | 18 | ... | ... | 25 | ... | 10 | ... | ... | 138 | 1 | 6 | 10 |
| TOTALS | 9,876 | 10,315 | 13,207 | 16,266 | 14,285 | 11,584 | 6,468 | 5,022 | 7,630 | 6,490 | 6,522 | 8,051 | 115,715 | 8,439 | 9,591 | 14,977 |

Figures cover teas examined and passed, do not include rejections. Based on reports from U. S. Tea Examiner.

*Combined with Sumatra

Uses tea company name in attempt to mulct Connecticut grocer

Tea packers might do well to be on the alert for a smooth-tongued crook who used the name of a tea packing company in an attempt to mulct a Connecticut grocer.

The details were given by Neil Courtney, secretary of the Connecticut Retail Grocers Association, in a warning bulletin to members:

"It was brought to our attention by a New Britain grocer that he had been approached by a stranger who represented himself to be affiliated with the Salada Tea Co. After inquiring as to whether the grocer had an outstanding bill with the Salada Co., he stated that the company was closing its books for their fiscal year on January 31st and that in order to collect outstanding receivables he was empowered to give a 5% discount for bills under \$50 and 10% for accounts over \$50.

"Our member in New Britain, who is an alert grocer, immediately smelled a rat and told the stranger that he would check with the association headquarters in Hartford, and with that the 'salesman' moved toward the door stating that if that was going to be his attitude he would have somebody

else call at a later date.

"When we were informed, we checked with the Boston office of Salada Tea Co. and pointed out that the man was driving a 1952 black Ford car with New York markers, was about 30 years of age, five feet nine inches tall, with a dark complexion. Their answer was that all of their representatives covering Connecticut would be driving cars with Massachusetts or Connecticut registrations and that the proposition in regard to discounts was, of course, not legitimate.

We immediately alerted the local and state police, as well as radio stations, but up to this date we have not had further reports on the activities of this man."

Says India's tea export quota is a restriction, not a right

"The government, under the International Tea Arrangement, does not issue an encashable right, but imposes, through the medium of its quota, a restriction on all producers. If this restriction were not there, each producer could decide for himself how much of his produce, and where, he would sell. If he does not choose to export at all, there would be no disability for which his neighbor could be called upon to compensate him." V. I. Chacko.

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Says Ceylon's tea exports could be doubled by replanting 50% of acreage

"I believe tea exports could be doubled from Ceylon by replanting only half the existing acreage of tea," J. Lamb, director of the Tea Research Institute of Ceylon, told those present at the Institute's recent 11th biennial conference, reports *The Tea and Rubber Mail*, London.

The tea bushes, he said, would not last for ever, and must be replanted. The tea market was expanding and there was a world shortage of tea, he indicated, and emphasized that it was imperative production be expanded while the opportunity was here. He was afraid the visions would not be fulfilled unless much new capital was put into the industry, and noted that at present foreign capital was tending to leave the industry rather than go into it.

Mr. Lamb said "It appears reasonable to assume that Ceylon must remain, as it is today, primarily an agricultural country, and I do not believe that it places the economy at any real disadvantage.

"Skill in the management of land is becoming as important as skill in mining and manufacturing. The value of agricultural products relative to industrial products is rising, with fluctuations, until there is a much fairer balance between the two. The industrialists' cry for cheap food should be countered by agriculturists with a demand for cheap industrial products.

"Cheap food and living amenities have been used to attract people to live in herds and work in industrial concentration camps. The tendency has been to lavish expenditures on urban areas and neglect rural amenities. This is grossly unfair where agriculture is the main revenue earner.

"In the past few years, much has been written and said (especially in the electorates at weekends) about plans for the future of the country, but little has been actually achieved by comparison with the solid, undramatised progress of tea production in which I am sure we are all proud to have taken part.

"As an agriculturist, I feel confident that exports of tea could be greatly increased. The present demand for tea should encourage expansion, and I believe exports could be doubled by replanting only half the existing acreage of tea. Nothing, however, but the blindest academic detachment could close my eyes to the fact that to replant 250,000 acres of tea will cost a minimum of 800 million rupees.

G. B. Portsmouth, plant physiologist, in a paper entitled "The Expansion of Ceylon Tea Production, Replanting and New Planting," said: "Manufactured tea accounts for considerably more than 50 per cent of the value of all exports, a fact which clearly indicates the predominant position held by our industry in the economic life of this country. Predominance in any field carries with it equivalent responsibilities.

"How is this responsibility to be discharged? To this question there would appear to be only one answer—by growing more and still better tea.

A. To raise the levels of yields given by our existing tea areas. This is largely a matter of correct bush management and manuring, coupled with proper attention to the control of pests and diseases.

B. By the replanting of wornout and uneconomic tea areas.

"Unfortunately, not all estates have been able to maintain a satisfactory resupplying program. This failure has undoubtedly led to a decline in yields and probably brought many of the poorest fields below the minimum economic yield level.

"Such uneconomic fields obviously require replanting with better and higher yielding material, or else they should be thrown out of production and turned over to growing green manures, firewood or any other crop which will give an economic return."

Mr. Portsmouth added that possibly with the higher prices for made tea now being realized, some of these previously uneconomic fields are now actually making a profit, and you may be tempted to defer any consideration of the necessity for replanting.

"Such complacency is dangerous," he said, "since we have no guarantee that present high prices will continue. Furthermore, the return for each rupee spent in working such poor fields must be much less than is obtained from money ex-

(Continued on page 82)

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THE FLAVOR FIELD

Section of Coffee and Tea Industries, formerly The Spice Mill

FEMA convention paced to quickened tempo of industry changes

By E. N. HEINZ, JR., Chairman
Convention Committee
Flavoring Extract Manufacturers' Association

Important business sessions will be combined with the pleasures and social activities of an early summer vacation at the 46th annual convention of the Flavoring Extract Manufacturers' Association of the United States.

The convention will be held May 22nd—25th at the beautiful Edgewater Beach Hotel, Chicago. Those attending are promised an especially enjoyable time, as this lake front convention site offers complete business and vacation facilities, including sports right on the hotel's premises.

The convention's business program has been approved by FEMA's Board of Governors, and is one of the most impressive ever planned to serve the interests of alert executives, chemists and technical men in the flavoring industry.

Of much interest to everyone will be the report on the new FEMA-sponsored research program on vanilla. This industry research program has been assigned to the internationally known Boyce Thompson Institute of Yonkers, N. Y., and the progress which they have made during the first six months of their investigation on vanilla will be told by these eminent scientists at the Tuesday session.

A Technical Symposium is also planned for all Tuesday afternoon. This program, developed by members of the Scientific Research Committee, will be devoted to various aspects of flavor technology, and is expected to be of special interest to every technical and production man in the industry.

Of prime interest to those in management who must chart their future company plans will be the address on "Business Outlook" by L. John Kutich, economist for the Federal Reserve Bank. On the same Monday morning program, C. C. Augustson, president of the Illinois

Retail Grocers Association, will discuss "My Observations on the Merchandising and Sales of Flavoring Extracts in Grocery Channels". These views and ideas of an independent retailer will be of special value to those who pack a consumer package.

The important subject of "Product Liability" will be discussed on Tuesday morning by one of the best informed attorneys in this field, Michael J. Thuma—Ross, Berchem, Schwantes and Thuma. To shed further light on this topic, Dr. Don Irish, of the Dow Chemical Co., will talk on "Testing for Toxicity in Layman's Language".

The Tuesday morning session will also include an important address by William F. O'Dell, president of, Market Facts, Inc. Mr. O'Dell a most interesting and informative speaker, will endeavor to supply the answer to the common question, "How much should you spend for advertising?"

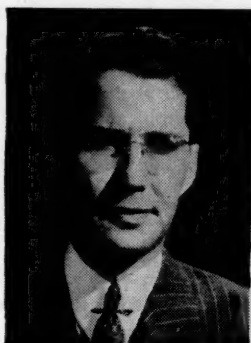
Among other specialists who will round out the business discussions on industry problems will be H. L. Janovsky, chairman of the newly formed FEMA Food Additives Committee. He will review how the flavoring industry is endeavoring to cope with the important subject of chemicals in food.

Unusually complete arrangements have also been made for entertainment, with special features planned for ladies who do not wish to attend business sessions.

The convention will get underway at the Hospitality Night Cocktail Party, to start at 5:00 p.m. on Sunday evening. This will be a wonderful opportunity to get better acquainted with other association members and suppliers. The beautiful Edgewater Country Club has been selected for the annual FEMA Golf Tournament, to be held on Monday afternoon. The event will begin at 12:30 p.m., with luncheon at the Club, and the ladies are welcome to participate.

A sightseeing tour of Chicago for ladies and non-golfers is also scheduled for Monday afternoon. The buses for this conducted tour will leave from the front of the hotel at 12:30 p.m. and luncheon will be served in

(Continued on page 72)



FEMA explores Montezuma's treasure

By H. L. JANOVSKY, Chairman
Scientific Research Committee
Flavoring Extract Manufacturers' Association

One night in the year 1520, the Spanish conqueror Cortez sat in the Halls of Montezuma, marveling at the sparkling, wondrous display of golden treasure, awaiting his bold seizure. A hand extended a golden goblet, which he quickly evaluated as to its value, yet when he sipped its contents, his eyes lighted with wonder and delight. Here was yet another treasure. He was puzzled as to its worth, and undoubtedly asked the human question, "What is it?"

This was civilization's first introduction to Vanilla, The Queen of Flavor.

Cortez would marvel even more at his question, had he known then that 435 years later, the FEMA Scientific Committee would be asked the same question about this treasure, vanilla flavor: "What is it?" And: "How can you prove it is?"

Of course, we are aware that labeled 35 per cent alcoholic pure vanilla extract should contain the legal amount of extractive matter from 13.35 ounces of properly cured vanilla beans.

The complex chemistry of vanilla extractives has not been thoroughly explored, and known analytical procedures for the evaluation of these extractives have been questioned as to their worth in determining the quality and flavor of the finished extract.

Quality-minded extract manufacturers have a sincere desire to explore the unknown, to achieve the goal of a standardized pure vanilla and preservation of the true vanilla flavor, so that it will be treasured, now and in the future, by the ultimate consumer.

Beginning the exploration into mysteries of vanilla, we find that the cured beans contain vanillin, secondary aromatic compounds, resins, organic acids, volatile oil, fixed oil, sugar, gum, tannin, wax, fat cellulose, and undetermined nitrogenous bodies. Many confuse the true vanilla flavor with that derived from one of its components, vanillin, which is also produced synthetically.

The green vanilla beans do not contain vanillin and are devoid of the fragrance of the properly cured beans. Vanillin is formed in the bean during the process of curing by hydrolysis from coniferin, a glucoside found in plants. Coniferin is first split into its alcohol and glucose, by means of an enzyme. The coniferyl alcohol is then oxidized to vanillin, by an oxidase which is present in the bean.

The object of curing is to arrest the natural vegetative processes and hasten the changes that lead to the complex aromatic flavoring constituents via hydrolytic enzymatic reactions with the contained glucosides.

Vanilla beans emit a sweet pleasant balsamic, particularly

aromatic aroma, which has led to much investigation as to its composition and its relation to flavor.

Past indications are that the odor of vanilla beans could be due to a fermentative decomposition of heterosides, of which the principal one is vanilloside. Besides this glucoside, there exist others which upon decomposition give vanillic alcohol and protocatechuic aldehyde. The most interesting one seems to be a heteroside, not yet isolated or studied, which upon fermentative reaction, yields an oily yellowish substance, whose structure is that of an ester. It is probable that it is this ester which gives vanilla its own special aroma.

The characteristic flavor and aroma of vanilla could be due to the mixture of oleoresins, organic complexes and vanillin formed during the curing process.

The above facts help illustrate that the flavor and quality of pure vanilla is not entirely due to the presence of vanillin only. Further, it helps us to understand that the chemistry of vanilla is very difficult to define, leading to exploration of a maze of complex natural organic reactions.

Yet, in its complicated nature may lie the clues we seek, for the purpose of quantitative identification and measurement of quality and flavor.

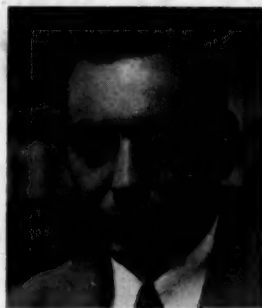
Research and utilization of new, modern analytical techniques like chromatography, or infra-red spectrophotometry may aid in our explorations in the unknown realms of vanilla.

Somehow or other, when in close daily contact with a problem, one may overlook the obvious. With this thought in mind, the FEMA Scientific Research Committee suggested that our association seek a fresh outlook and a professional explorer to search in the past and peer into the future for the entire answers we seek, to the advantage of all concerned.

The Boyce Thompson Institute of Plant Research, Yonkers, N. Y. was selected to pioneer the exploratory search, with direction by the FEMA Scientific Research Committee, who have proposed the following initial outline of research:

1. Flavor evaluation based on investigation of unknown constituents that may contribute to the quality of Vanilla Products.
 - a. Isolation and classification (possible identification of known and unknown flavor components.)
 - b. Development of quantitative methods for determinations of flavor components. (Based on above findings.)
2. Establish new methods for determining purity of vanilla products, as a new basis for proposed standards of identity.
3. Development of standards for vanilla beans.
4. Based on the completion of the above findings,

(Continued on page 82)





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standards in the flavor industry

By DR. ARTHUR S. WENDT, Chairman
Standards Committee
Flavoring Extract Manufacturers Association

The Flavoring Extract Manufacturers' Association of the United States believes that the 50-year-old advisory standards set up by the Food and Drug Act of 1906 need to be brought up to date, in keeping with modern methods of manufacturing extracts.

The Food, Drug and Cosmetic Act of 1938, which replaced the Act of 1906, did set up a procedure for hearings to establish definitions and standards of identity for foods, but has not yet gotten around to holding such hearings for flavoring extracts. The only criteria of purity of flavoring extracts at the present time are the general provisions of the law covering misbranding or adulteration.



To help arrive at a sound basis for standards of identity the FEMA, following its long-established policy of cooperation with the Food and Drug Administration, has subsidized research on vanilla at the Boyce Thompson Institute for Plant Research. The Vanilla Bean Importers' Association has joined with us in the financing of this project.

It is worth noting that Federal Specifications EE-E-911 b, dated October 2nd, 1952, are not legal standards, as some people seem to think. They are specifications to be used for the guidance of Federal agencies in making purchases of flavoring extracts (Sec. IV, Part 5, of the Federal Standards Stock Catalog).

We are looking for an ingredient in vanilla that will be present in all types of beans and practically invariant in range. An analytical determination of this component would then serve as a criterion of the purity of the product.

By the time the Food and Drug Administration sets a date for hearings on establishment of definitions and standards of identity for vanilla extract (and lemon, orange and other extracts), we hope to have data that will simplify this difficult problem.

In setting up standards for a whole industry, one must proceed with care and caution. There is a wide variety of vanilla beans used: Bourbons, Mexicans, Javas, Tahitis, Guadeloupes, etc. Within these varieties, there are various grades: primes, seconds, thirds, and fourths, as well as splits of the last three grades. To insure the fairness of the future standards, it is important that the constants used will not eliminate vanilla extracts made by reputable companies, using good manufacturing practices, from any of these types of vanilla beans.

This work on standardization of vanilla extracts and other vanilla products should be accompanied, if not preceded, by

a standardization of the basic raw material involved, namely vanilla beans. Since practically all the vanilla beans entering the United States come through the hands of the members of the Vanilla Bean Association, they are the group best fitted to devise standards for these beans. A committee has been appointed within this association to look into this phase of the overall program.

While all this effort is being concentrated now on vanilla extract, we are not overlooking the fact that eventually work should be done on the true fruit extracts also. The avenue of approach on these products may be through the ester values or analysis of the oxygenated components present in true fruits.

Basic research in vanilla, sponsored wholeheartedly by our association and the Vanilla Bean Importers' Association, cannot help but produce results that will improve the quality of our products and benefit not only our industry but the consuming public as well.

FEMA convention paced to quickened tempo of industry changes

(Continued from page 69)

Chicago's Chinatown Won Kow Restaurant. The tour will return to the hotel by 4:30 p.m. At 8:00 p.m. on Monday evening, an Hawaiian dinner dance is planned in a Polynesian Room of the Edgewater Beach Hotel.

On Tuesday, a ladies program is planned at 2:30 p.m. in the Hotel Lincoln Room. At 6:30 p.m. the President's Annual Reception and Cocktail Party, with the banquet following in the grand ballroom at 7:30 p.m. Music by Lou Breese and his orchestra will be a feature of the annual banquet. Breese, one of the nation's most popular orchestra leaders, was on N.B.C.—TV's spectacular "Show of Shows" for six months. He was also with N.B.C. seven years coast-to-coast, six years at the famous Chez Paree, and four years at the Chicago Theater.

The 46th annual Convention Committee has provided for entertainment that will be enjoyable to the men of the industry and especially to their ladies.

The quickened tempo of changes which is becoming so increasingly evident in every industry prompted the committee to plan a business program that will be informative and interesting; a program full of new ideas not only for management and sales managers, but chemists and production men as well.

Those who attend this year's convention will depart with some new ideas and thoughts to stimulate their own business activities.



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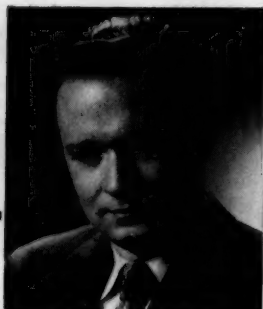
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the chemistry



of vanilla

By JAMES J. BRODERICK, Flavor Chemist
Givaudan Flavors Inc.

"The Chemistry of Vanilla" was originally written as a chapter for a contemplated book. This article, the second half of Part III, is the conclusion.

This neutral portion of the resin was studied from another point of view, i.e., its color producing function. By comparing the color produced by the resins when diluted back to the volume of the original extract with the color intensity of the original extract, we found that the resin color represented a goodly percentage of the color of the extract. Tests that we have run indicate that the resin color is more soluble in Marsh reagent than the original extract color. Previous work^{2,7} indicates that when vanilla resins are precipitated and separated from the extract and reconstituted to the volume of the original extract that they represent a goodly portion of the total vanilla color, but only a minor portion of the total vanilla lead number.

A comparison of six varieties of beans showed that although the resin was responsible for the bulk of the color, the darkest colored extracts did not necessarily have the most resins. It was noted that the more colloidal resins had the least color.

Since color is important in vanilla extract and one of the hardest to find a substitute for, its identity is of great interest to us. Working on the premise originally set forth by Vincente and Jones⁸, i.e., that the oxidative enzyme system of vanilla is capable of oxidizing vanillin to quinone bodies and thence to condensed stable pigments. We tried chemically to oxidize vanillin on the assumption that the neutral colored resin was a vanillin polymer. Several of our drastic treatments gave indications of success, although none quite produced the same results as vanilla.

Vanillin, on oxidation, first turns to a red mass with little tinctorial power, but on further treatment gradually turns reddish brown, brown, brown-black and finally to an alcohol insoluble mass. Somewhere in the middle of this treatment a product is produced, brownish in color, that is almost completely soluble in Marsh reagent, gives a dark brown precipitate with lead acetate solution and when dissolved in 35 per cent alcohol and tested for resins—gives a roughly characteristic vanilla resin. When we found a product that gave the analytical tests of the neutral resin, the color was too brown. In order to obtain a reddish brown color simulating a good vanilla, not enough resin was obtained.

We can theorize on what happens when vanillin is oxidized in the vanilla bean. It is possible that three molecules react in the first stages following the typical reaction of phenols and aldehydes (similar to formation

of phenol-formaldehyde resins). In this type of reaction, steric hindrance by the methoxy group is overcome by a possible shifting of that group to another position. Water is split off and the reaction continues until a high molecular weight resin is obtained. The evolution of carbon dioxide from vanilla beans during curing, over and above what's needed for normal respiration, and the presence of p-hydroxy benzaldehyde in vanilla, points to the possibility that vanillin is partly demethoxylated before it forms a resinous material. The splitting out of water from this type of phenolic structure would very probably result in intra molecular shifts to form a stable quinone structure accounting for the color of the resins and the extract. Naturally, we would expect the end products of this reaction to be a combination of many intermediate stages of the oxidation and polymerization of vanillin. The presence of the cinnamates in most of the resinous balsams, as well as in vanilla beans, makes one conscious of the fact that molecules, other than vanillin, may be contributing to the structure of resins. It also puts one on the alert for the possible addition of these resinous balsams to vanilla for flavor and increased resin value. Fortunately, they do not have the color of natural vanilla resins.

It is probable, therefore, that additional aldehydes and aromatics, other than vanillin, form links in the chain of reactions which result in vanilla color and resin. It is also apparent that what we know as vanilla resin is a complex mixture of condensed vanillin (and possibly other) molecules representing different stages of the condensation and oxidation process. This explains why in our examination of the six varieties of beans there was no correlation between the degree of color and the amount of resin.

In a series of experiments under conditions somewhat analogous to the conditions existing in vanilla beans during curing, we were able to oxidize vanillin and obtain a product almost identical to vanilla resin. Optimum concentrations and time factors had to be worked out in order to obtain a satisfactory product. The product obtained was identical to the neutral vanilla resin in physical properties, having the same color, and it was soluble in amyl and ethyl alcohols and aqueous potassium hydroxide. It has a very slight heavy vanilla odor. Due to its obvious advantage as a vanilla adulterant, we are not describing the method of preparation in any detail until we have perfected a method for its detection.

Now, let us assume that the neutral resin is a complex mixture caused by oxidase enzyme action on vanillin and perhaps some of the other constituents of vanilla.

(Continued on page 77)

"I'll take vanilla — pure vanilla"

By HENRY SALOMON, President
Vanilla Bean Association of America, Inc.

Pure vanilla is still the most loved, the most exhilarating and the world's most popular flavor. There is no other aroma that pleases and satisfies the palate as much and has such a tantalizing fragrance.

Many efforts have been made to imitate and synthesize the quality, aroma and taste of pure vanilla, but none has completely succeeded. None of the substitutive formulations are either as good or as desirable as the natural product.

The basic components of the vanilla bean are still not thoroughly understood. Of all the flavorful ingredients, it seems only vanillin is imitated, yet the natural seed pod, or "bean", of the orchid plant, *Vanilla Planifolia*, contains volatile oils, sugars, gum, fat, waxes, resins, vanillin, organic acids, natural coloring matters and mineral constituents. All these very essential constituents are necessary parts of the over-all flavor of pure vanilla.

Is it any wonder that the consumer is quite willing to pay additional costs for the true vanilla extract? The difference in flavor and aroma between the natural extract and the substitute product can easily be detected.

Vanilla beans, being a natural product, are of course sometimes subject to very large variations in price. Prices fluctuate according to crop and climatic conditions. Last year vanilla beans were almost at record high levels. This was indirectly the result of too low prices during the previous several years. Growers, discouraged by the low returns, abandoned their plantations, but the climb in prices encouraged new planting.

It takes several years before any great change can occur. At the time of this writing, prices are getting more normal, i.e., they are at a level where both curers and users will be content. However, regardless of whether prices are high or low, vanilla must be considered a necessity, and even if prices have gone to what some might consider unreasonable heights, true vanilla will still be one of the cheapest flavoring materials.

Let us hope that in the future prices will never become so low as to deter growers from attending to their vanilla plantations, but that prices will remain within reason and thus encourage the use of this fine, unique, distinctive and incomparable flavoring agent.

While price will always be an important factor, it should not be stressed to the detriment of quality. In too many instances, manufacturers of vanilla extract are more intent upon complying with U.S. Food & Drug Administration regulations—which of course, is necessary—than with

quality as expressed in flavor, aroma and fragrance of the finished product.

Let us not forget that vanilla extract improves with age. There is a marked difference between extract just percolated and extract that has been allowed to age for a few months.

In the rough and tumble of selling extract, too often price is sold rather than taste and flavor. As a result, the public gradually loses the sense of appreciating this pleasant, discriminating and mouth-watering flavor. It is not only the gourmet who recognizes the suave and delicate taste of true vanilla; the general public is also aware of it. Compare it with the crude and heavy taste of the synthetic product. The difference between the true and the synthetic is that in the former, not only is the first taste delicious and gratifying, but best of all, the after-taste is too, the taste people remember the longest.

Let me say there is no need for real vanilla bean flavor to compete with the synthetic product. The public likes the scintillating aroma of pure vanilla. There is plenty of room in a country like the United States to increase the demand for pure extract, but the quality must be good. If the manufacturer tries to bring prices down at the expense of quality, in the long run it will work against the interests of both manufacturer and consumer. The solution is to make a better finished product.

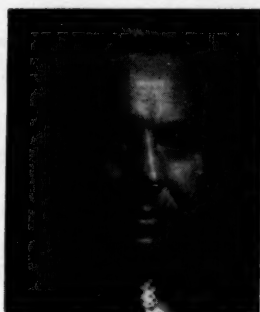
The Vanilla Bean Association of America, Inc., is doing a good deal of promotion work. This takes the form of a progressive research program for the vanilla bean industry, a public relations program, and the issuance and distribution of a booklet on vanilla.

The research program has been started by the Flavoring Extract Manufacturers Association in conjunction with the Vanilla Bean Association. It is making a study of the conjunction with the Vanilla Bean Association. It is making a study of the composition and chemical constituents of vanilla with a view to improving the production and processing of vanilla beans, and possibly establishing standards of identity that the consumer can trust.

The Union Intersyndicale de la Vanille in Madagascar has undertaken a public relations program in the United States. This is being done by placing information about our product in the editorial space of magazines, newspapers and other media. A well-known public relations counsel has been engaged for this purpose.

The Vanilla Bean Association has reedited its booklet, "The Story of Pure Vanilla". It is written in simple and easily understood language. It is illustrated, and tells about the romance of vanilla from its early discovery to the latest processing of extract. In addition it contains a large number of recipes developed by experienced home

(Continued on page 82)

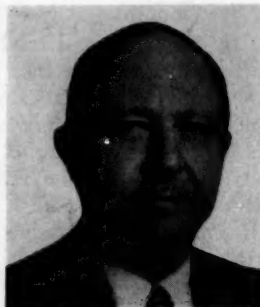


trends in flavor oils

By LOUIS GAMPERT, President
Essential Oil Association of the U.S.A.

I have been asked to write a brief report on the current essential oil situation. Since this publication, COFFEE & TEA INDUSTRIES, is directed to the food industries, I shall confine my comments to the more important flavor oils. The flavor essential oils can be divided into three main classifications: citrus oils, mint oils, spice oils.

Starting with the citrus oils, cold pressed oil of orange, both the California and the Florida variety, are at the lowest level I can remember, so low in fact, that one large Florida oil presser has ceased production. Orange oil, being strictly a byproduct of the ever growing juice and concentrate business, will be available at a low price for a long while to come. The price of orange oil may, and probably will, rebound somewhat from its present low level, as the selling price is too close to the cost of production,



but even at 75 cents or a dollar a pound, orange oil would still be a very cheap flavoring ingredient.

Oil of limes, especially distilled, which is the most widely used variety and for which Mexico is the principal supplier to this country, is also very low in price. The Mexican government is aiming to guarantee the producers a fair return, and this could lead to higher prices. Distilled limes oil from Haiti has always commanded a premium over the Mexican oil, and will follow the price trend of that product.

Lemon oil prices have seen-sawed considerably during the past year, having reached a very high figure about a year ago, coincidentally with a rather severe shortage of the commodity. Prices then began to ease off somewhat, and the supply situation improved. More recently, prices have again upped, although no shortage of the oil has as yet materialized.

Some low priced Italian lemon oil makes its appearance from time to time, but for flavoring purposes, our California oil is predominantly preferred. In general, with respect to the Citrus oils, I believe that some firming of prices is to be expected, but with supplies adequate.

The mint oils present a familiar pattern. The law of supply and demand has never been more clearly demonstrated, particularly in the case of spearmint oil. About a year ago, spearmint oil was selling for approximately \$8.00 per pound. With oil at this price, the growers planted spearmint in considerable acreage. When the larger crop became available last fall, the price of the oil declined to around \$3.75 a pound. It has since firmed somewhat, to about \$4.50 a pound. Spearmint oil is good property at this price, I feel, because the growers will probably plant less, and with a somewhat smaller crop next year, prices should again advance.

Peppermint oil has displayed steadily increasing strength since early in 1954. Since that date, when the price was slightly under \$5.00 a pound, there have been about five advances to present levels of about \$8.00 a pound, at which figure the price is firm and the market strong in the country. There has been some inventory liquidation on the part of dealers. There is a possibility of some price easing when new crop oils come into the market later in the year.

Two of the most important spice oils present quite a contrast. Clove oil, although still quite high in price, has come down considerably from its peak and is quite readily available. On the other hand, oil of cassia for all practical purposes is non-existent. When a few pounds can be obtained now and then, they command an exorbitant price.

The absence of cassia oil in the U.S. market, is, as is well known, due to the embargo on materials originating in Red dominated China. Fortunately, artificial oil of cassia does a highly commendable flavoring job, so that the absence of the natural oil is not felt too much. These same remarks apply equally well to oil of anise, which although not classi-

(Continued on page 81)

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the chemistry of vanilla

(Continued from page 74)

It is responsible for the bulk of the resin as well as the bulk of the vanilla color. With lead acetate, it gives a dark brown precipitate that accounts for a small portion of the total lead number. When dissolved in alcohol and diluted with water containing fruit pectin to 35 per cent alcohol and then precipitated in the normal manner by lead acetate, the combination gives a yellowish-brown precipitate similar to the lead precipitate color of vanilla extract.

We have now gained a good idea of what happens in the vanilla bean. A number of heterosides are split during the process to give vanillin and related aromatics. These end-products are further acted upon by oxidase and peroxidase enzymes to give additional flavor and resin producing end products.

As far as the aromatic constituents of Bourbon vanilla are concerned, vanillin is the chief aromatic present, but it is supplemented by cinnamic, protocatechuic 1,3,4, aldehyde and p-hydroxybenzaldehyde, cinnamic and vanillic alcohols, cinnamic, protocatechuic 1,3,4 and vanillic acids, other unidentified cinnamate and vanillate derivatives and possibly oxidative end products of the above and condensation products of some of these aromatics. A well-aged vanilla extract undoubtedly contains esters of the acids and/or acetals of the aldehydes present coupled with the ethyl alcohol used as the solvent.

The flavor produced by the above mentioned aromatics is undoubtedly responsible for the bulk of the vanilla flavor. In addition, the sugars, pectins, gums, waxes, mineral salts, etc., contribute to the flavor mainly by giving added body and depth of flavor.

The oxidative end products of vanillin and perhaps some of the other aromatics form condensed stable pigments and resins. These are responsible for the bulk of the color, the largest portion of the resin, a small part of the lead number and may contribute slightly to the flavor of vanilla. Cinnamic acid (anistic in Tahiti beans) and perhaps some of the other acids, probably form part of the resin, and with some of the volatile acids give a slightly acid extract. The bulk of the lead number is due to pectins, gums, mineral salts, acids, etc., present in the water soluble portion of the bean. The mineral salts are also responsible for the ash content of vanilla extract.

With this knowledge of the constituents and composition of vanilla, we are now in a better position to do a number of things. First, we can select the correct beans and make a better extract. Second, we can formulate a better imitation vanilla. Third, we are now in a better position to seek and find better standards for vanilla extracts and beans. Fourth, we can direct our future research towards filling the gaps in our knowledge and verifying the assumptions made.

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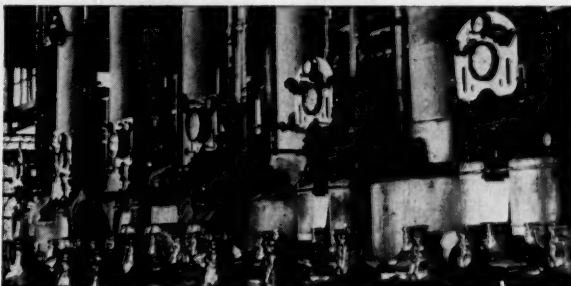
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the alcohol drawback picture

By JOHN N. CURLETT, Chairman
Alcohol Tax Committee
Flavoring Extract Manufacturers Association

Shortly after our last convention, a summary of the "Drawback Questionnaire" that was forwarded to our members on April 23rd, 1954, was compiled. Seventy per cent of our members responded. The compilation revealed that 20 per cent of our members have taken advantage of, and qualified for, the filing of monthly drawback claims, and at said time, 80 per cent of our members remained on the quarterly drawback basis.

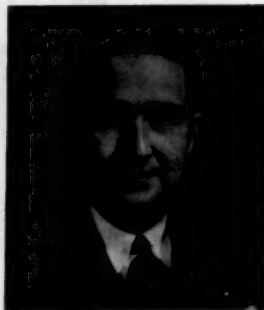
Another interesting development also revealed that members filing monthly drawback claims received refunds within ten to 20 days, whereas members filing quarterly drawback claims received refunds within 20 to 75 days, with a national average of 48 days. It was also interesting to note that all our members filing monthly drawback claims were now satisfied with the current system, whereas some of our members filing quarterly drawback claims suggested a permit-and-bond system, with payment of net tax at the time of withdrawal.

During the past year, our entire membership was continually advised regarding amendments proposed by the House Ways and Means Committee, as likewise by the Senate Finance Committee, to the Revised Revenue

Code of 1954 relating to the excise tax on distilled spirits, which included Sec. 5001, Imposition Rate and Attachment of Tax; Sec. 5131, Eligibility and Rate of Tax; Sec. 5132, Registration and Regulation; Sec. 5133, Investigation of Claims; and Sec. 5134, Drawback, which was subsequently enacted into law.

The amendments in substance extended the current rate of tax on distilled spirits to April 1st, 1955; the words "fully tax paid" appearing in Sections 5131 and 5132 were deleted and there was substituted in lieu thereof the words, "on which the tax has been determined". Section 5134 (a) (1) was amended in that the word "paid" was deleted and there was substituted in lieu thereof the word, "determined".

In December of last year, FEEMA members received copies of Regulations, Part 197, Drawback on Distilled Spirits Used in Manufacturing Nonbeverage Products, issued by the Internal Revenue Service. There were only a few minor amendments written into the regulations from the former regulations. I believe the most essential was an amendment which provides that a claim shall be deemed to have been "filed" if delivered by the United States mail after the three month period, the date of the United States postmark stamped on the cover in which the claim is mailed shall be deemed to be the date of delivery. I do not, however, believe it to be a good practice to await the last day of the quarterly period before filing drawback claims. It is best for them to be prepared and filed immediately on the ending of a quarterly period.



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flavor developments on the West Coast

By DR. ALEXANDER KATZ, President
F. Ritter & Co.

It has been noticed that the requirements and production of cold pressed lemon and orange oils for the 1955 season have shown a great deal of improvement. The same applies to the demand for concentrated citrus juices and concentrated citrus oils. For a couple of months there was some recession in lemon oil demand, which caused a slight reduction in lemon oil prices. In the past two months, demand for and price of lemon oil have shown an upward trend and supplies have been normalized.



There is some study under way for increasing production of lime oil on the Pacific Coast, which has been very negligible here to the present time. Some distilled oils of lemon and orange appeared on the market and examination of samples have shown possibilities of utilization of distilled oil of lemon, particularly in the hard candy industry. If this could be achieved successfully, then the consumption of expressed lemon oil will be relieved somewhat to the point where more lemon oil would be offered for the beverage trade.

Quite a few flavoring firms are utilizing citrus juices in their beverage basis in ever-increasing quantities. There are numerous important independent bottlers in the Los Angeles and San Francisco areas who are using continually increasing quantities of concentrated fruit juices. Quite a lot of fruit juices and essential oils are produced by independent companies. Such products are being shipped throughout the United States, and the business trend in the citrus lines is very active. There are several manufacturing plants specializing in the production of flavors for bottling, ice cream, confectionery and baking industries.

Great interest has been shown throughout the United States in the development of newly discovered aromatics used in flavors. Most of the prime manufacturers of raw materials do not publicize such discoveries, as they are considered more or less trade secrets. It is our desire to acquaint flavoring and food chemists with the recent developments of aromatics, as many of them do really render the desired effects, improving the finished products. Quite often information given on some of the aromatics is misleading. Most of such aromatics are offered to the flavor chemist under assumed trade names, and although some chemical and physical data are given, the true chemical identity is not revealed. It has been our aim to search for new aromatics and market them under the true chemical nomenclature, giving information as to the utilization and identity of such aromatics.

We on the Pacific Coast have found and tested several simulated materials on the market which are offered under

pseudo-chemical names, such as Aldehyde 19 and 20, suggesting them for pineapple, raspberry, etc. We do believe that such products should be classified as artificial mixtures and labeled in such a way as not to mislead the user.

We had an opportunity to examine a product labeled cheese aldehyde which was nothing but a mixture of some synthetic esters dissolved in vegetable oil. Several times, upon request from our customers, we checked on products which are offered on the market as "dihydro vanillin and vanillic ester". The former represents vanillin recrystallized from a small amount of hydroalcoholic extractions of vanilla, licorice and St. John's bread, forming large brownish crystals. The same product in powdered form was just broken-up large crystals. As to "vanillic ester", although we made various samples of vanillic esters of ethyl, methyl, butyl, propyl, etc., alcohols, using vanillic acid as acid radical, the examined sample of so-called "vanillic ester", represents nothing but pulverized vanillin with a trace of acetic acid to bring out the flavor.

We also examined a liquid called "cinnamyl anthranilate". The true product is actually in solid form. The sample we examined represented a mixture of methyl anthranilate and other esters, etc. While the sample had a flavor somewhat reminiscent of grape, it was not true cinnamyl anthranilate, which is more stable than methyl or ethyl anthranilates. We synthesized cinnamyl anthranilate in 1946, and have been producing it in its pure form ever since. Synthesis of this chemical body yielded a crystalline material of "grapey" character and of high fixative value which is important in the production of beverage and candy flavorings. It is important for a flavoring chemist to select pure products under true nomenclature, having complete chemical and physical data, to be able to determine the usability of such products.

Since early syntheses by Wallach, Tiemann, etc., it has been the goal of a great many organic chemists to synthesize not only aromatics found in essential oils, but also aromatics found in fruits, vegetables, etc. Along this line it is important to mention the achievement of Dr. Hagen-Smit, *et. al.*, of the California Institute of Technology. They succeeded in isolating a number of organic constituents found in pineapple, some of which were already known, but the most important product isolated at the Cal-Tech microchemical laboratory is methyl beta methyl thiolpropionate, commonly known as pineapple mercaptan. We reproduced Hagen-Smith's synthesis and are now producing pineapple mercaptan to improve the flavor of pineapple, giving it a more natural juicy taste.

Many other organic chemicals were isolated from natural products. Among others of importance is alpha furfuryl mercaptan, commonly known as coffee mercaptan, an important flavor-bearing aromatic found in roasted coffee. The addition of coffee mercaptan to instant coffee restores the flavor lost in process of manufacture.

(Continued on page 81)

trends in certified food colors

By LOUIS J. WOOLF, President
H. Kohnstamm & Co., Inc.

Processors and manufacturers of food products are, of course, familiar with the Food, Drug and Cosmetic Act of 1938. Under this Act a system for the certification of coal-tar colors was set up. It provides for three separate lists of colors—only one of which, the FD & C list (colors for use in foods, drugs and cosmetics) can be used in foods. The other two list the D & C (drugs and cosmetics) and the EXT. D & C (externally applied drugs and cosmetics) may not be used in products to be consumed as foods.

At the present time there is under consideration a proposal for re-listing three of the FD & C colors to External D & C colors. A hearing on this matter was held in Washington last year and to date the final order has yet to be issued.

This action has received some publicity in the trade press, and I think a discussion on the history of certified colors, and what criteria were used in establishing the present list is in order.

The use of coloring matter was recognized by Congress as a problem which might affect the health of the nation.

In May, 1900, under the allocation of funds for the general expenses of the Bureau of Chemistry, there was included an item "To enable the Secretary of Agriculture to investigate the character of proposed food preservatives and coloring matters, to determine their relation of digestion and health and to establish the principles which should guide their use."

Several years prior to the passage of the Food & Drug Act of 1906, the Secretary of Agriculture appointed Dr. Bernard C. Hesse as an expert consultant on coal-tar colors. Dr. Hesse had had broad experience in this subject through long association with the leading dyestuff manufacturers in Germany. He made an extended study of the coal-tar dyes that were then in use for the coloring of foods for the purpose of determining what restrictions, if any, should be placed on their use. This investigation included not only a very detailed and exhaustive search of the literature concerning the chemistry and physiology of these coal-tar colors and the laws of the various countries and states regarding their use, but included also many chemical examinations in his own and the Bureau of Chemistry's laboratories.

Based on Dr. Hesse's study, a list of seven colors was accepted as harmless, and our first voluntary system of certification had its birth. These colors were ORANGE I, INDIGOTINE, NAPHTHOL YELLOW, PONCEAU 3R, AMARANTH, ERYTHROSINE and LIGHT GREEN SF yellowish.

Provision was made for the addition of new colors to the

above seven, and evidently Dr. Hesse's rules of selection prevailed, because all colors subsequently added were all physiologically tested. This is indicated by the fact that in an official department publication, R. W. Dunlap, Acting Secretary of Agriculture, stated "The original list of seven permitted dyes was selected after a critical study of the reports of pharmacological tests on the more important dyestuffs. The other eight dyes were added to the list after appropriate pharmacological and toxicological tests had proven them harmless."

The additional colors and their dates of admission were: TARTRAZINE—1916—Water Soluble Yellow; YELLOW A.B.—1918—Oil Soluble Yellow; YELLOW O.B.—1918—Oil Soluble Yellow; GUINEA GREEN B—1922—Water Soluble Green; FAST GREEN FCF—1927—Water Soluble Green; PONCEAU SX—1929—Water Soluble Red; SUNSET YELLOW—1929—Water Soluble Yellow.

Brilliant Blue FCF was the last of the coal-tar colors added to the permitted list of food dyes until after the Food, Drug & Cosmetic Act. of 1938 went into effect.

Early in July, 1938, conferences were begun with food, drug, cosmetic and coal-tar color manufacturers. In collaboration with the technical members of these industries, the available coal-tar colors were again examined (repeating the work of Dr. Hesse) and a weeding out process was begun based on: (1) toxicity; (2) extent of use; (3) essential nature because of special properties; (4) duplication of shade; (5) stability, with particular reference as to whether or not they were light-fast or alkali-fast and; (6) chemical purity.

After the elimination of many colors on the basis of the above criteria, many manufacturers of coal-tar dyes were asked to submit one-pound samples of a number of coal-tar colors. These compounds were chemical entities of known composition, not complex salts or mixtures, and a certain degree of purity was specified. The manufacturers were also asked to submit structural formulae for the dyes and adequate methods of analysis.

19 FD & C colors now

At that time, the Division of Pharmacology of the Food & Drug Administration under Dr. Herbert Calvery, had had investigations of the 15 permitted food colors under way for over two years, and over 125 individual colors had been tested. In the proposed regulations, the 15 original certified food colors were listed as the FD & C colors, (colors for foods, drugs and cosmetics). In addition, provisions were made for admitting new colors after similar investigations and hearing were held.

At the present time there are nineteen FD & C colors, the last one having been admitted in 1950. They are: FD & C ORANGE #2; Oil Orange SS; FD & C RED #32; Oil Red XO; FD & C YELLOW #2; Naphthol Yellow S. (K.salt); FD & C VIOLET #1; Wool Violet 5BN.

The nomenclature FD & C was used in order to prevent



any possible mistake or mixup in the use of an uncertified coal-tar dye in place of a certified one. For example, Tartrazine, a water soluble yellow dye is used quite extensively as a textile colorant. When highly purified so that it meets FD & C specifications, it is known as FD & C Yellow #5, not as Tartrazine.

Industry has taken the view that the question of safety or harmlessness of a dye, or any other natural or synthetic compound for that matter, can only be determined by reference to quantities ingested or concentrations employed.

We believe that in determining the meaning of the word "harmless," there must be taken into consideration accepted scientific procedures and methods in determining the safety of substances and their suitability for proposed use. It is well established and generally recognized that in making any determination of safety and suitability for use, the most important factors requiring consideration and determination are the circumstances under which the test material is expected to be used and the extent and quantity proposed for such use.

General knowledge

Not only is this a matter of general knowledge, but this premise has also been agreed to on the record by the government expert. Materials which, by application of these procedures and methods, are determined to be incapable of producing harmful effects under the anticipated circumstances, are said to be safe, hence, "harmless and suitable for use," even though they did produce harmful effects at high level feedings.

It is a well known fact, admitted by the food and drug authorities, that even common table salt would produce adverse physiological effects if taken in quantities of two to three ounces. The entire problem was very well stated by Dr. Bernard Oser in a recent article entitled, "Can a Poison Exist in a Vacuum?"

"There is no foundation in toxicology for regarding all substances as either poisonous or deleterious, on the one hand, or safe or harmless, on the other. The optical physicist has his absolute white and absolute black, but there are no absolutes for the toxicologist. Toxicity depends on species, age, weight, sex, dosage, route of administration, physiological or pathological state, and manifold other factors comprising 'experimental conditions. Translation of toxicity data into terms of real or potential effect under any given set of circumstances, as for example, the determination of hazard to any particular segment of the population or to the public health generally, involves considerations that go far beyond toxicity effects in laboratory animals." [Oser, Can a Poison Exist in a Vacuum?, A Discussion of Section 403 (a), 8 Food, Drug, Cosmetic Law Journal, 693, at 696 (1953)].

The coal-tar color industry, and in turn the users of the above mentioned certified colors, have been advised that in the event of a de-listing order, all stocks of the FD & C colors in question in the hands of manufacturers and food processors that have already been certified, may be used in the customary food applications.

As far as the development of new coal-tar colors to be submitted as new FD & C colors, these are long range projects, and nothing new is anticipated for at least two years.

The manufacturers of certified colors are familiar with the requirements of the various food industries and offer complete laboratory assistance in solving any technical problems.

Flavor developments on the West Coast

(Continued from page 79)

In addition to chemical bodies found in natural products, many modifications in flavor and aroma have been worked out by synthesizing entirely new organics. Such products as allyl phenoxy acetate and allyl propionate, etc., are now available. Other products that are worthwhile to use in pineapple, apple and banana blends are ethyl and allyl hexadienoate. In response to requests from the trade, we developed a number of such aromatics. After careful investigation and establishment of compatibility with other aromatics, we produced some of them on a commercial basis and are ready to supply the products and information as to their usability. This often occasions the use of known but little used compounds or variations of known compounds with some change in structure, such as substituting the familiar ester for the alcohol portion, and slight modifications such as constituents in the benzene nucleus.

It is important to mention that diallyl sulfide and allyl mercaptan, having aroma of natural oils of garlic and onion, are manufactured by us in their pure state. They can be utilized in the meat and condiment industries to great advantage.

At the request of the Stanford University Medical School, Department of Pharmacology and Therapeutics, we produced furfural acetone and related compounds, which were tested by them on Erlich Ascites Tumor as a possible aid in cancer cure research. This work was published in the Stanford Medical Bulletin, Volume 12, No. 3, August, 1954. Through this research we found many compounds made for the university as being useful for flavoring—some of them having taste and aroma of cinnamon, clove and allspice. Another product, developed and produced exclusively on the Pacific Coast, is our Yuccarome, which is used in beverages to render a pleasant creamy taste and is particularly recommended for root beer. Yuccarome is a flavoring medium and as such is permitted to be used in many states prohibiting the use of artificial saponin. Yuccarome is a concentrate based on Yucca Brevifolia—a California cactus.

In conclusion, we would say that to select aromatics to be incorporated in the formulation is a matter of personal experience and taste. All we are attempting to do is to give general guidance for the utilization of newer aromatics. However, to that we might add that in many cases we have definite information on how to achieve the desired flavors, and we are willing to share it with our friends.

trends in flavor oils

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fiable as a spice oil, is nevertheless an important flavor essential oil.

Other spice oils have been firm to high, and continued strength throughout the list is to be anticipated. Onion oil has been very scarce, with no immediate relief in sight.

Oil of Ocotea Cymbarum still maintains its comparatively high price level, accounting for a corresponding situation in the important flavoring ingredients, safrol and heliotropine. Higher wages in Brazil will probably keep Ocotea Cymbarum at least around present levels.

Robusta coffee

(Continued from page 39)

duction has grown to approximately 9,000 and 30,000 tons respectively.

Robusta coffee in Tanganyika

In the Bukoda district of Tanganyika territory there is a narrow belt along the western shores of Lake Victoria where the rainfall averages about 75 inches per annum, and except for a short dry season, is evenly spread. In such close proximity to the lake the air is humid, because the prevailing winds blow towards the shore. Temperatures are more equable than they are elsewhere.

The near neutral to slightly acid soil is a friable loam overlying sandstone rock, and where the coffee is planted among bananas the soil has kept its fertility because of the heavy mulching practised by the inhabitants.

Under these circumstances Robusta coffee grows luxuriantly and in such a trouble-free manner that one may excuse the ill treatment it receives at the hands of local growers. It just does not seem to mind, although it is obvious to any visitor that better care would reap a much greater reward. The trees are planted in the smallest of holes, much too close to each other, and the banana shade does not give the uniform and controlled shade that is to be desired. The grower generally prunes his trees haphazardly with an axe or a chopping knife and leaves to his wife most of the cultivation, which is done in a primitive fashion.

In spite of all this, the coffee thrives. The writer has seen old trees that had fallen over on their sides, their branches rooting and growing suckers which in turn bent down and touched the soil until they rooted too, building up a single many-stemmed tree which grew 15 feet high and had a spread of 30 feet.

In the poorer soil on the outskirts of the banana plantations or in full sunlight the trees grow poorly and bare of leaves, except for tufts of a sickly and unhealthy color at the ends of the branches. Yet there is no troublesome disease, and beyond the bean borer beetle and thrips on exposed trees, the pests appear to be in balance. The *Stephanoderes* beetle would give little trouble itself if more attention were given to plant sanitation.

The Robusta bushes grow so large that much of the crop cannot be gathered until the fruits have ripened and dried. They must then be shaken down and gathered on mats laid beneath the trees. Unfortunately, many fruits remain on the trees beyond harvest time or they drop of their own accord between gatherings and give material in which the *Stephanoderes* beetle breeds and lies in wait for the next season.

The fact that so little pulp is found in the Robusta fruit favors the bean borer but does not encourage sucking bugs, and the reverse happens with Arabian coffee.

Robusta coffee in Uganda

In Uganda, many a Robusta coffee bush is grown without shade, and though a lack of shade will favor

the presence of thrips or red spider and appear to hinder the healthy development of the topmost shoots and leaves, it does not seem indispensable in those areas where rainfall is sufficient and evenly spread and the air is not too dry.

It is more important to shade the soil until the bushes spread sufficiently to give shade themselves, and

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Ceylon's tea exports

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pendent in maintaining present high yielding fields in good agricultural condition.

"There is almost no suitable land available for planting up-country, so it is inevitable that most of the future expansion will have to take place at lower elevations. Much of this is likely to be in the low-country proper, where there are large undeveloped tracts of Crown land and where there is much worn-out and uneconomic rubber which is in urgent need of replanting.

"Judging from inquiries, many low-country estates are considering the replanting of such areas in teas to be a more attractive proposition than replanting in rubber."

FEMA explores Montezuma's treasure

(Continued from page 70)

new standards on vanilla extracts and vanilla products will be suggested by the FEMA Scientific Research Committee.

Many may expect too much, many may expect too little. However, as to the worth of research, we can only state that research is the shining sword that explores the dark unknown. How deep it penetrates depends on effort. What it may uncover depends on the sincerity of purpose, patience and the proper end-use of all findings.

San Francisco—coffee port

(Continued from page 27)

of the World Trade Center in the Ferry Building, both to be completed in 1956, will be greatly instrumental in providing an ever-increasing stimulant to coffee movement through the Port.

The movement of coffee through the Port of San Francisco for the first three months of this year clearly indicates a definite resumption of an upward trend for our leading import during 1955.

"I'll take vanilla—pure vanilla"

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economists to meet the food problems of the housewife. For further details write to the Vanilla Bean Association of America, Inc., 2 Lexington Avenue, New York 10, N. Y.

The best is none too good, so I'll take vanilla—pure vanilla.

Mr. Mustard opens hard-hitting drive

The spice industry, one of the country's oldest, is turning out to be one of the youngest in boldness and energy. The trade is showing some of the most vigorous merchandising to come down the pike for any product.

What may well become a precedent for the grocery field, including other, bigger items, was set by The Frank Tea & Spice Co. recently with large size ads introducing its "Mister Mustard", a Dijon style prepared product, in New York City.

The ad was dominated by two things—a huge picture of a jar of Mister Mustard, and an offer to buy the consumer's first jar.

Also prominent was the advice: "Keep me cold and I'll stay hot."

"We'll buy your first jar," the ad declared, and explained that the purchase price would be refunded this way:

1. Purchase a regular size 6½ oz. jar of Mister Mustard.
2. Keep it in your refrigerator when not in use.
3. When you have used your first jar, mail the cap to The Frank Tea & Spice Co., Corner 5th and Culvert, Cincinnati 2, Ohio, and we will refund your retail purchase price up to 25¢.
4. Limit, one jar to a customer . . . offer expires April 30, 1955."

Housewives were advised they would find Mister Mustard in the "open refrigerator" section of the food market. A picture showed a woman reaching for a jar in such a section.

Here's how Robert Rosenthal, vice president in charge of sales of The Frank Tea & Spice Co., summarized the background of the promotion:

"Because Mister Mustard is of a rare and distinct flavor, because it is repurchased regularly by a very high percentage of those shoppers who use it for the first time, we are making a solid attempt to secure adequate distribution among New York chains and independent food stores.

"Distribution of a satisfactory nature is, of course, the necessary objective. We believe the free offer will result in gaining a high percentage of new customers.

"Then, because Mister Mustard embodies a strength and piquancy not found in any competing product, the advertising includes an educational aspect, telling the consumer where it is displayed in the market. Unlike other mustards, which are found on store shelves, Mister Mustard is located in the open refrigerator section of the food market. By maintaining the product in below room temperature, this guarantees that the robust character is retained indefinitely. Strong mustards lose flavor through evaporation of volatile oils when at normal room temperature.

"The initial advertising in the *New York Times*, *Herald Tribune*, and *Post* will be followed by clever eye-catching copy in each paper for many months to come. The copy will be of 54-and 50-column-inch size. In addition, Mister Mustard is nationally advertised on a continuous basis in the *Saturday Evening Post* and *The New Yorker*.

"Mister Mustard is distributed in New York mainly by Merchants Food Distributors of the Bronx, comprising a multitude of independent truck distributors. In areas where no selling conflict exists, we have eight additional distributors of this kind.

"The initial response to the promotion has been excellent, and as Mister Mustard sales grow in New York, and in a corresponding manner in nearby Philadelphia and other major areas from coast to coast, it will take its place among the major sellers of prepared mustard in the market."

Yes, it's all right for Virginia

convicts to have two cups of coffee

Virginia's State Board of Welfare and Institutions said it was all right for prisoners to drink two cups of coffee at breakfast if they wanted to.

This two-cup policy was promulgated after some officials reported difficulty in interpreting the "master menu" which the board approved several months ago.

The master menu, it seems, listed "one cup" of coffee as a part of breakfast. Some guards in some prisons had interpreted the menu to mean that second cups of coffee were forbidden.

Not so, said the board. If Virginia's prisoners want two cups of coffee for breakfast, let them have two cups.

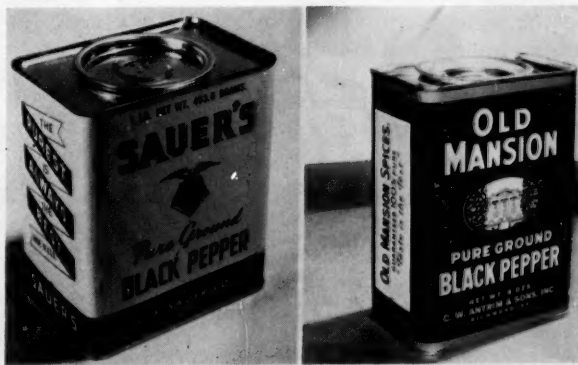
No mention was made of a third cup.

Coffee saved his life at Pearl Harbor

Chief Armand H. Kirouac, chief boatswain's mate says coffee saved his life at Pearl Harbor on the historic December 7th.

He went into the galley early to pour some coffee and seven others followed. All men in the crew lounge they left were killed by a Japanese torpedo which struck the old cruiser Helena.

Chief Kirouac liked his coffee, especially on December 7th.



From fiber containers to metal cans. Both the C. F. Sauer Co., Richmond, Va., and C. W. Antrim & Sons, Inc., of the same city, have shifted black pepper to all-metal, lithographed cans produced by the American Can Co. The cans have a specially developed sifter top with a removable feature. Shown is Sauer's 16-ounce black pepper can (also available in 8-ounce size) with the new label. Antrim also packs a full line of spices in metal containers.

Robusta coffee

(Continued from page 82)

wherever mulches of litter have been used a very noticeable improvement in the health of the trees has been achieved.

Uganda is, of course, just over the border from the Bukado district of Tanganyika, and the Robusta coffee is at its best near the lake or on the wetter slopes of hills.

As the lower laterals of Robusta trees become exhausted, they die and drop off. It is not necessary to prune them away as it is with Arabian coffee, which retains its dead laterals for a long while, unless the dying wood is interfering with healthy growth.

The Europeans in Uganda grow the upright No. 9 type of tree, and it is necessary to train this to the multiple stem method of pruning, otherwise the plants become tall trees with no laterals near the ground. With the Uganda spreading type, it is only necessary to assist the tree to make a bush by bending down the primary growth. Suckers are encouraged to break out earlier, and then the thinning out of unwanted and spindly branches is all that is necessary.

Rainfall and soil requirements

A long experience of watching Robusta and Arabian coffee growing side by side at varying altitudes in the same country leads to the opinion that Robusta coffee requires a higher and more evenly spread rainfall than does Arabian coffee. It requires greater humidity and warmer temperatures but about the same kind of soil. This should be fertile, well-drained, neutral but retentive of moisture.

Though Arabian coffee will grow best at cooler temperatures and will accept less rainfall, it will survive and struggle against all sorts of adversities. On the other hand, Robusta coffee will quickly succumb to conditions which are unfavorable. Indeed, the world Robusta somewhat belies its name, though it is notable for its strong growth in a suitable environment.

Pulping and fermenting

Although Robusta fruit has less juice, which makes it difficult to pulp, the Europeans of Uganda persist in treating it this way and in fermenting, washing, drying and hulling the resulting parchment coffee. The bean is cleaner and brighter and fetches a slightly higher price than does the African Robusta coffee, which is hulled from the dried fruits. Nothing is gained during the

fermentation and washing process but a cleaner and brighter bean, and African grown coffee would be of better quality if the fruit were all dried rapidly on staging instead of being placed, as it often is, on dirty matting on the ground.

Cultivation requirements

In a mature plantation of Robusta coffee no cultivation should be done other than the eradication of noxious weeds, because the feeding roots of the trees grow close to the surface and spread widely. Mulching is far more important; the writer also believes in light shade for Robusta coffee, using for the purpose a tree that will harmonize with coffee, such as a species of *Albizia* or *Erythrina*, certainly not a *Grevillea*, which appears to offer too great a competition for soil moisture and nutrients.

So great is the effect of other crops and trees growing among coffee that one is tempted to believe that coffee may be susceptible to specific influences and not just from neighboring plants, and that the effect is not alone due to being robbed of nutrient and moisture supplies.

Both the main types of robusta coffee require to be planted at a greater distance apart than does Arabian coffee. Twelve feet square for the upright type and 15 feet square for the spreading type is not too far apart to hole out the ground in the beginning, and the Uganda variety may even require thinning out when the bushes grow full size.

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Coffee smuggling clouds production picture in Africa's Sierra Leone

In Sierra Leone, higher prices could, until recently, only be obtained through smuggling—that is always somewhat hazardous—and one doubts whether such conditions are conducive to new planting, even if higher prices are. The higher 1953 exports—first year of free trading—may represent stored coffee as well as current production and are therefore no proof of higher output. The smuggling factor again destroys any conclusions one might draw about incentives to production in the Gold Coast. Finally, in Nigeria's free market there have been no spectacular increases and there is little evidence of new planting.

In sharp contrast to French West Africa, there has been little attempt to encourage coffee production in the British territories. That is unfortunate, because coffee could undoubtedly be developed into an important export crop. Whereas before the war, West African coffees were scarcely acceptable and prices negligible, they can now be sold very easily in world markets at prices between £250-£550, and sometimes even more, according to type and grade.

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AGENTS AND BROKERS IN

SPICES SEEDS TEAS COFFEES

225 Front Street

San Francisco, Calif.

what does the supermarket want in packaging?

By JAMES COOKE

These pointed comments are excerpts from a talk at the National Packaging Conference of the American Management Association. Mr. Cooke is vice president of the Penn Fruit Co., Philadelphia.

Many retail marketing problems can only be solved on the designing boards and on the production lines. Good marketing must be built into the product.

Packaging and self service sired the supermarket revolution which in one generation cut in half the cost of distributing groceries from the manufacturer to consumer. While the supermarket outlets represent only 6% of the food stores, they do over 52% of the \$42,000,000,000 annual volume done in food stores. And the packaging and self service revolution has by no means run its course. More stores are converting to self service and more foods are being packaged than ever before.

Today considerably more than half of the supermarket volume is done in merchandise that is received in consumer units. In a few years bulk merchandise will play but a minor role in the retail picture.

The retailer expects certain advantages to offset the reduced markup of packaged merchandise. First he expects lower operating costs from packaged merchandise through more efficient handling and adaptability to self service. He looks to the manufacturer to pre-sell the merchandise, or at least design a package that acts as its own salesman. Finally, he expects the manufacturer to assume greater responsibility for quality control.

Every merchandise grouping presents many design problems that affect the retailer. Most of them fall, however, within relatively few problem areas. First there is the adaptability of cases to modern warehousing. Another problem is the lack of relationship between the number of units packed in cases to weekly movement. On the sales floor we have the problem of efficient utilization of shelf frontage and counter height. Then there are the problems of opening cases, price marking, and the durability of the package in self service. Finally we have the problems of standardization of units, pilferage and quality control.

The essence of our business is turnover. Our warehouses are not primarily storage depots but rather assembly and distribution points. Materials handling rather than storage is our primary warehouse function. Modern one-story distribution centers offer tremendous opportunities for lower handling cost through the use of fork lifts,

pallets, high ceilings and tow lines. These opportunities, however, are frustrated if your product is not designed for modern distribution centers.

Is your case the proper proportions for palletization? It is oblong in shape to permit interlocking of cases on pallets, or it is a cube form that is difficult to palletize? Are the proportions such as to avoid waste space on the most popular sized pallets? Is the case material and the arrangement of the contents such that it has the strength to be piled the 18 to 20 foot heights of modern one-story facilities without leaning or collapsing?

As important as they are, the problems of material handling at distribution centers are a cinch compared with the material handling problems at the retail store. The inventory and handling problem at the retail store is aggravated by the number of units packed in the individual case.

At the present time there is very little relationship between merchandise movement and case size. In many instances, manufacturers pack their slowest moving items in the same size cases as their fastest moving ones. Penn Fruit does an average volume of \$3,300,000 per store



These new Maxwell House cases save time and work for wholesaler and retailer. Redesigned cases carry full descriptions of contents on all sides and use different colors and raised or reverse printing so various Maxwell House products can be spotted easily in back room or warehouse. New cases of Instant Maxwell House (top) carry copy telling which side to open for price marking.

annually. Among the major supermarket chains this is the largest per store volume in the nation. Still 75% of the items we carry in our grocery department move in quantities of less than a case per week per store, and 25% of the items move in quantities of less than a third of a case per week per store.

Recently the Kroger Co. made a survey of case movement in four of their supermarkets in a large Midwestern city and graciously made the results of this study available to us for this talk. They found that 87% of the dry grocery items moved in quantities of less than a case per week per store. About 63% of the items moved in quantities of less than a third of a case per week per store. If movement figures such as these present a problem to large volume retailers, consider the plight of the 272,000 food retailers who do less than \$100,000 a year per store.

The present practice of packing cases without regard to movement means that even the large volume retailer is burdened with millions of dollars in unnecessary inventory, crowded backrooms, crowded shelves, increased damage and poor rotation. The problem will become more acute as variety and the number of sizes increase. If some of you harbor the cynical thought that perhaps the large number of units per case compels a larger order and forces more shelf frontage, I believe this policy will prove self-defeating in the long run.

Uppermost in your minds, I am sure, is the knowledge that less units per case will increase costs. This is undoubtedly true if we consider only one segment of the marketing cycle. If a 2% economy at the production stage creates a 5% increase in cost at the retail level, what has been achieved? It is only when a policy saves money through the entire marketing process that true economy is achieved.

(Next month: Mr. Cooke on supermarket space, price marking and packaging standardization.)

the revolution in green coffee marketing

(Continued from page 40)

Through this marketing organization, world I/D would take offerings from exporters regardless of the volume of their current sales to their roaster customers. They would also make forward sales to roasters on "buyer's call" regardless of whether or not the I/D has the coffee on hand. The I/D in such cases would see to it that the coffee will be shipped in time to the roaster in accordance with the terms of the shipment contract.

The author feels that such a marketing or distribution system could operate economically in the physical handling of coffee. This fact has been proven in the marketing of grain, cotton and cocoa.

If the E/S and the U.S. trade could accept this principle of marketing, the marketing costs, CCI, would be reduced to a minimum and the resultant savings for each "i"th transaction would be shared by the producers and consumers. If this reduction in the CCI could be kept at a minimum, then the E/S would have an opportunity to receive more for his coffee and the roaster would pay less for the raw coffee than would be possible if the marketing of the coffee continued on an unhedged basis.

The present system most roasters use in purchasing their

raw coffee bean requirements necessitates the use of wider cost margins to compensate for periodical losses. Also, at times of violent price swings, when the Cri gets out of line, in the sense that it cost the roaster more, this net increase in cost is usually passed on to the ultimate consumer at the retail level, if it cannot be absorbed by the roaster himself.

The proposed method of buying and selling "on call" would undoubtedly give the supply-demand conditions a freer hand in influencing price movements for spots as well as for the futures. Also, prices that world buyers would be willing to pay for coffee would be based upon and directly controlled by the world's demand for coffee. Hence, this could be called our *world buying power* on the one hand, and you would have the *current and prospective supply* of coffee on the other hand.

Therefore, if the minimum allowance cost could be determined for carrying coffee, the *average price level* during the harvesting period under this proposed marketing system may be fully as high as, or somewhat higher than, the *average price level* during the rest of the season. The *general average price level* would be lower during the pre- and after the post-harvesting period. Therefore, I/D would buy on sellers call during this period, when the *average price level* would be at a minimum for the season. But during the harvesting period it may be to the advantage of an I/D to buy on a fixed price basis, or on buyer's call (not on seller's call) for immediate or prompt shipments to meet some sudden need for a specific type of coffee to fill orders received from roasters.

Under this proposed system it would be a logical procedure for most E/S of the major producing countries to strive and sell their coffee on *seller's call*. The producers would be able to get a better price average over the years for their coffee than they could realize under the present system of marketing on a fixed price basis.

Now, let us take an example to illustrate how such a transaction would operate between a Brazilian E/S and a U.S. I/D. Some of the obstacles confronting this method of marketing, and which have to be overcome, will be explained as we go along.

1. (a) The E/S quotes a basis, "B" to the I/D in terms of U.S. points, payment to be made in U.S. currency in accordance with the terms and conditions stipulated in the letter of credit. (b) Along with the above, the E/S cables to the I/D the terms of contract as to quantity, quality (description), price basis ("B"), f.o.b. Brazil, plus other terms and conditions, and, say, shipment time 60 days from the acceptance date, and the right of the E/S to call the price any time during this period of 60 days.

2. The U.S. I/D cables in response to the E/S offer and terms the following:

"Closed—x—bags, quality, Basis B, plus some other terms, etc., letter of credit follows through XYZ bank."

3. The E/S will register this sale with the I.B.C. as a *seller's call transaction* within the specified time of five days. At this point, educational groundwork must be done, and Brazilian government officials must be informed regarding this method of marketing, to try to get them to realize the advantages it will give to their economy.

4. The *letter of credit*, terms and conditions would be the same as usual, except that in cases of "on call" transactions an added feature must be included. On the date of

(Continued on page 91)

San Francisco Samplings

By MARK M. HALL

■ ■ The younger men of the coffee trade gathered at the home of Cedric Sheerer at San Carlos to give a farewell party to a friend and associate, Beck Rowe, who later left for New York. He had been promoted from the San Francisco office of Bunge, Inc., to his new position. Among those present were Beck and Nancy Rowe, Carlos Abreu and "Miss Philippines", who had won the Philippine Islands beauty contest. Her name is Senorita Pacita and her home is Manila. Also on hand were Mr. and Mrs. William Seely, Mr. and Mrs. Douglas Wood, Mr. and Mrs. Fred De Bow, Mr. and Mrs. Norman and Ed Johnson, Jr., Mr. and Mrs. Jack Mooney, Carl Corey, Vern Aldritch, Miss Carrol, of Bunge, Inc., San Francisco, and Jack Schimelpfenig.

■ ■ Ed Howatt informs us that Joseph C. Tyler, Jr., of American Factors, in charge of their coffee department, Kailua, Hawaii, was in town recently, on his way to visit other towns. Ed handles their Konas.

■ ■ Frank Featherston, of McKinley, S.A., Rio de Janeiro, recently visited San Francisco. His firm is one of the leading coffee shippers in Rio.

■ ■ George Moran had encouraging news. The P. & T. Forester arrived May 5th with 35,000 bags of coffee from Brazil. This is the first shipment of any size this year. All prior shipments have been around 9,000 or less.

■ ■ Elwood Wright and Mrs. Wright are in Europe as part of an extended tour of the Continent.

■ ■ Bob Benson of Ruffner, McDowell & Burch, Inc., can be distinguished among green men. His wife Barbara, gave birth last February to identical

twins. Their names are Beckie Joan and Bonnie Jean. Bob says they are cheaper by pairs, and that probably holds true until the dozen are reached—but he disavows any such intentions.

■ ■ Olin Howell, of Stein Hall & Co., Inc., was in Los Angeles last month, scouting for business.

■ ■ Larry Meyers, of the Pacific Tea Packing Co., was in Salt Lake City calling on customers last month.

■ ■ The executive offices of Wellman, Peck have been moved to their Oakland plant. Coffee buying will continue in San Francisco, so Stanley Onellion will be easily available to green men.

■ ■ The San Francisco Coffee Club met to "Have the Time of Your Life" at the Olympic Club at Lakeside. This was the pre-convention meet where the boys sharpen up their strokes for the big meet at Pebble Beach. John Cagnetta planned a big time, and that went for golf dinner and entertainment.

■ ■ Arthur Blake, of Cznikow, London, and Peter Jacobs, of the A. Poortman Co., same city, were visitors during April in San Francisco. While here, they were guests of B. C. Ireland, Inc.

■ ■ Ralph Stern, of the McClintock Stern Co., and Harold Gavigan, of B. C. Ireland, Inc., will attend the A.S.T.A. convention to be held at the Sky Top Club, in Pennsylvania.

the coffee year on the West Coast

(Continued from page 47)

1953 to 818,770 in 1954. A total of 1,143,374 bags imported for the first three months of 1954 shrank to 693,869 bags for a similar period in 1953, or

about 37%. Brazil imports over the same period dropped from 411,329 bags in 1954 to 165,240 in 1953 or about 59%.

It must also be remembered that these declines took place during a period of unprecedented population growth on the Pacific Coast.

There has been a lot of money lost by roasters and importers of coffee, and still the future is uncertain. As long as prices work downward, buying by roasters is a very difficult and often costly procedure. Importers find it very risky to carry spot coffees, and yet it is spots and nearbys which the buyers want. The roasters hope for a free market in coffee, or at least a more stable one. If minimums are to hold they must be at a level which will furnish no temptation to producing countries to undercut, offer some measure of stability to the American roaster, and more encouragement to the American public to increase its consumption of coffee.

To blame the American public, the roaster or importer, for the present plight of the coffee market would be like blaming the tail for wagging the dog. There never is an easy answer to explain fully a market debacle. There is only one thing to do, and that is to write off the past, accept the necessity of a realistic level of prices and build soundly for the future.

Southern California

By VICTOR J. CAIN

■ ■ Charles Nonemacher recently made a tour of the company's branches in Sacramento and San Jose.

■ ■ Olin Howell, of Stein Hall, came to Los Angeles to call on the coffee trade.

■ ■ W. B. (Beck-) and Nancy Rowe, of the Bunge Corp., made a trip to Los Angeles to bid farewell to the coffee trade before setting sail for New York to take up his new position. All of the trade wishes Beck the greatest success.

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New York News

■ ■ If you haven't tried the heft of your golf clubs yet this spring, better get to it. And you softballers, start putting some oil on the old gloves.

The day is coming up—the annual outing of the local trade. Once again it will be held at the Hackensack Golf Club, Oradell, N. J. The date is Tuesday, June 21st.

Durand Fletcher is chairman of the event. Assisting him are Robert Sasseeen, George Sasseeen, Jim Sullivan, Jim Norton and Fred Kohn.

■ ■ The Grace Line has a new representative on Front Street. He is Parke W. W. Masters, who has been transferred from Lima, Peru. He's been assigned in New York to the import traffic department, for direct contact with the coffee and cocoa trade.

Mr. Masters joined the Grace Line in 1940. Before coming to New York, he represented the Grace Line in Peru for nine years.

He was president of the American Society of Peru, and active in other ways in the field of U.S.-Peruvian relations.

He brings to his new post a record of constructive experience in, and practical assistance to, the development of U.S. trade with Latin America.

Roger Daugherty, who formerly represented the Grace Line on Front Street, has been promoted to freight and passenger representative on all commodities.

■ ■ Alan K. Keay, formerly manager of the New York coffee buying office of the American Stores Co., Philadelphia, has been named toiletries buyer for that company. The American Stores coffee buying office here is being closed. The coffee will be purchased out of the Philadelphia headquarters by Chris Hess.

■ ■ After about three and a half years of existence, the firm of Hendrickson & Kammer is being liquidated.

Nelson B. Hendrickson, better known to the trade as "Baldy", has not announced his plans as yet.

George Kammer was reported to be joining Monitor Mills, Inc., the Front Street roasting, importing and jobbing firm which is one of the oldest on the Street.

Dick Carruthers, who headed up the office for Hendrickson & Kammer, has become associated with T. Barbour Brown & Co.

Before joining Hendrickson & Kammer when that company was formed, Mr. Carruthers was connected with a marine underwriting firm and with Otis, McAlister.

John Wohlfahrt, who was with Hendrickson & Kammer for about three years as a salesman, has joined the Gordon W. Voelbel Co., Inc., as a street man.

Mr. Wohlfahrt was formerly with the coffee department of the Woolson Spice Co.

■ ■ Up for membership in the New York City Green Coffee Association, Monitor Mills, Inc., is one of the oldest coffee names in the city. It was founded in 1868.

Heading the company is William H. Boesling, who has been with Monitor Mills since 1901.

The company roasts and packs coffee for the restaurant and grocery trade, and also does some importing and jobbing.

The grocery packs are in "fancy" bags under the brand names Park Avenue, Monitor Special and Blenday. Most of these outlets are delicatessen stores.

The brand for the restaurant market is Park Avenue Coffee.

■ ■ Emil Karl has resigned as manager of the coffee department of the Mincing Trading Corp., and has joined the East Asiatic Co., Inc., in the production department.

■ ■ The downtown area — downtown, that is, as Front Streeters look at it—now has a hot coffee delivery service which is trying to drum up business on the Big Street, among the brokerage houses.

The Knickerbocker Coffee Service, at 256 Pearl Street, is advertising a five-cent cup of coffee for the office or plant. Knickerbocker claims it is freshly brewed coffee which they deliver daily.

They've run ads in the Journal of Commerce, the Wall Street Journal, have used direct mail—and are going after business through direct contact.

■ ■ John McKiernan, president of the National Coffee Association, was scheduled speaker at the April meeting of the New York Coffee Roasters Association.

■ ■ George Robbins, head of green coffee buying for the General Foods Corp., was on a two-week trip to Brazil. He flew down, accompanied by Mrs. Robbins.

■ ■ Carlos Trueba, Sr., flew down to Colombia for a five-week visit to friends and clients in that country. He visited all the main coffee producing and commercial centers during his visit.

■ ■ W. Wirt Wickes has resigned as a director of the Coffee Brewing Institute, a step he took reluctantly under the pressure of business. Mr. Wickes was associated with CBI since its inception, and before that served on the Brewing Committee of the National Coffee Association. CBI's board has directed that a citation be presented to Mr. Wickes in recognition of his services to the industry.

■ ■ The Street has been disturbed by reports that consignments of green coffee are being considered by the Instituto Brasileiro do Cafe.

A cable was sent by Charles F. Slover, as president of the New York City Green Coffee Association, to Raul Diederichsen, president of IBC, indicating the feeling that such consignments "would be contrary to the best interests of Brazil, as well as all regular channels handling Brazilian coffee in this market."

The cable was sent after a special meeting of the board of directors.

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New Orleans Notes

By W. C. McKENNON

■ ■ James J. Meyers, of the Oulliber Coffee Co., and Phil G. Ricks, of Adolph C. Ricks & Co., chairman and vice chairman respectively of the New Orleans Board of Trade's general membership committee, will handle the board's 75th anniversary celebration.

■ ■ E. W. Sams, operations manager of the Douglas Public Service Corp., has received membership in the New Orleans Board of Trade.

■ ■ Grady Tiller, of the Otis McAllister Co., Ltd., has returned from a business trip to the interior.

■ ■ August Hoffman, of the Felix Vaccaro offices, is recovering nicely after a short trip to the hospital.

■ ■ Mr. and Mrs. Earl Ackerman visited in New Orleans for a few days following the National Coffee Association board meeting. Mr. Ackerman called on the trade.

■ ■ Among members recently elected to the board of directors of the International Trade Mart here are R. S. Hecht, chairman of the board of the Mississippi Shipping Co.; Lacy D. Richeson, of W. L. Richeson and Son, Inc.; and F. G. Strachan, of the Strachan Shipping Co.

■ ■ Roy Davis, Jr., of the S. and D. Coffee Co. has returned to Concord, N. C. after a visit here.

■ ■ Albert Schaaf, of Stewart Carnal & Co., Ltd., has returned from a business trip to the interior.

■ ■ Charles Adams of the Irving Trust Co., New York City, visited the trade here recently.

■ ■ S. S. Mindel, of Coffee Instants, Inc., Flushing, N. Y., was a recent visitor here.

■ ■ Earl P. Bartlett, of the American Coffee Co., has returned from a business trip through the Southeast.

■ ■ Mr. and Mrs. Austin O'Brien have returned to New York after a visit in New Orleans.

■ ■ L. W. Snow, sales manager of the American Coffee Co., recently made a business trip through the Southeast.

■ ■ Nestle's "Ricory" has been introduced here. Earl A. Taylor, assistant to the president of the Nestle Company, and James Gentry, regional manager, conducted a meeting here to introduce

the instant chicory coffee product to the Nestle sales force.

■ ■ Manuel Llopert, of Havana, was in New Orleans for a few days recently, on business.

■ ■ Frederic W. Delamain, representative of J. Aron & Co., Inc., with headquarters in San Antonio, spent a week in New Orleans recently.

■ ■ James S. Levy of J. Aron & Co., Inc., just returned to his desk after a two weeks' trip in the interest of his firm.

■ ■ The trade here was distressed to learn that Pedro Goncalves Martins, manager of Vicri, S. A., Santos, died suddenly last month.

■ ■ E. E. Lafaye, of J. Aron & Co., Inc., with his wife and family, are enjoying the opening of the fishing season at the Lake Shore Club, North Shore, La.,

■ ■ Murray M. Squires of C. A. Mackey & Co., La., Inc. has succeeded to the third vice presidency of the New Orleans Green Coffee Association. James S. Levy of J. Aron & Company, Inc., has been appointed treasurer of the association.

Southern California

(Continued from page 87)

■ ■ Arthur Lutz, formerly president of the Smart and Final Iris Co., has now associated himself with Consolidated Food Processors, Inc. as director and west coast general manager.

■ ■ Norman Johnson, of E. A. Johnson & Co., recently made a trip to Los Angeles to call on the coffee trade.

■ ■ Jim Knecht, of H. O. Knecht & Co., has been walking about two feet off the ground since the arrival of their bouncing baby boy. Both mother and son are doing very well.

■ ■ Bill Morton, president of W. J. Morton, Inc., recently made a fast trip to San Francisco to shake hands with all the coffee men on California Street.

■ ■ We understand Walter Emmerling, a director of McCormick & Co., has now taken residence in the San Francisco Schilling office, and will direct coffee promotion.

Chicago

By JOE ESLE

■ ■ Peter C. Monday founder and vice president of the P. C. Monday Tea Co., a route delivery grocery firm covering parts of three states, passed away of an heart ailment at the age of 82. He had been president of the firm since its founding in 1899 until January of this year. Due to ill health, he was forced to hand over active leadership to his son, Robert.

When Mr. Monday founded his firm, he started with one horse and wagon selling only coffee on his one route. By 1904 he had 12 routes all in Milwaukee. Today it operates 50 trucks out of Milwaukee and 36 substations throughout Wisconsin, upper Michigan and northern Illinois, selling groceries and household merchandise house to house on regular routes.

Mr. Monday helped found the National Retail Tea & Coffee Merchants Association and was its president in 1938-39.

■ ■ Several top level personnel changes have been announced by Henry Perlman, president of the Hill-Shaw Co. Jon Zits has been named vice president in charge of sales; Paul Perlman, vice president and sales manager; E. J. Ruhnke, vice president, new products division, and W. J. Spensley, secretary and treasurer.

■ ■ D. E. Stage of B. F. Gump Co. has joined the Chicago Coffee Club.

■ ■ National Tea Co. has leased the plant of Sprague-Warner Co. from Consolidated Foods Corp. They plan to open 94 new stores this year of which 20 have already been put into operation.

■ ■ IGA stores will have their annual coffee week during the week of May 19th. They will feature their various coffee blends using coffee posters in the nation-wide drive for greater sales.

■ ■ Kroger chain plans to open 23 new stores in the St. Louis territory, according to R. A. Hughes, manager of that district. These stores will be super markets.

■ ■ Leon Israel & Bros. closed their Chicago offices April first after ten years of service to the Chicago coffee trade. Will Snyder, manager, will cover the Chicago territory from his home in Antioch, Tenn. Eddie Byrne and Bob Trudeau will announce their new connections later.



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Vancouver

By R. J. FRITH

■ ■ Carl Woolenborg, of Los Altos, Calif., spent a few days among friends in Vancouver. He is West Coast representative for Jabez Burns & Sons, Inc.

■ ■ The W. H. Malkin Co., Ltd., who recently removed the grocery division to its new place on Vancouver's Kingsway, retains the old Water Street Warehouse in which the firm is now making some structural changes, adding some plant and

equipment. Newest items being installed are some extract equipment and spice grinding and packaging machinery.

■ ■ Vancouver is presently without any visible representative of the Tea Council of Canada. W. G. Jeffery resigned earlier in the Winter, and a little later the branch was closed, with no announcement as to future plans.

■ ■ William Hughes, of Haas Bros., Inc., San Francisco, came up from the Golden Gate to talk about coffee.

■ ■ Weldon Emigh of San Francisco,

was another welcome visitor to Vancouver and Seattle.

■ ■ Henry Schmidt, popular manager of the coffee department, Nabob Food Products, Ltd., has a cherished keepsake in the form of a tin of his favorite coffee, Nabob, that was vacuum packed almost 40 years ago. Other coffee experts will be interested, so will canning experts, to know the tin holds its vacuum perfectly. Some day the coffee may be taken out and tested, but Mr. Schmidt does not like the thought of doing that to this almost hallowed souvenir.

the revolution

in green coffee marketing

(Continued from page 86)

register with the I.B.C., the time should be noted and stamped, and the full price in U.S. currency per pound basis should be determined and certified.

5. The E/S must go to the U.S. I/D's bank and present his I.B.C. registration with the full-price certification along with the U.S. I/D's cable of acceptance. The I/D's bank should double check the full price.

6. The I/D's bank will then pay the E/S 30 per cent of the total value of this shipment, based on the full price certification made by the I.B.C. (In the meantime, the I/D's bank has been notified of this transaction and that the I/D has opened a letter of credit in favor of the E/S for said shipment). The balance due the E/S will be paid as soon as the E/S prepares the necessary and required shipping documents, finds a berth for shipment, and everything else is taken care of in accordance with the terms and conditions of the letter of credit, even though the E/S may have called the price prior to the shipment date.

7. Before the I/D's bank releases the 30 per cent advance to the E/S's bank against a *simple receipt*, the money is to be released upon presentation of a guaranteed performance bond. The present Brazilian ruling regarding such bonds is that they have to be notarized, registered, and posted openly. This latter item must be altered to the extent that all agricultural commodities exported on "on call" transactions, where performance bonds are required, will not be posted openly to the public but kept confidential between the banks and, perhaps the I.B.C., in the case of coffee.

8. After the 30 per cent advance has been forwarded and after the guaranteed performance bond has been posted, then and only then, will the U.S. I/D's bank issue a "ticket" or "export permit."

9. The remaining items to be taken care of have been covered already under item No. 6 above. *But the E/S should sell the balance of the U.S. dollars due him at the time he calls the price so that the balance due him can be accurately determined.*

Since the present rate of exchange (the cruzeiro) is rigidly fixed by government decree, the E/S does not have the problem of hedging his foreign exchange for forward delivery to coincide with shipment or call date. Until such time when free convertibility will be restored between Latin American countries and the U.S., so that the exchange rate

in U.S. dollars will be permitted to fluctuate in response to supply-demand conditions, coffee transactions will still have to be based on the *fixed exchange rates* at the time a transaction is consummated.

Therefore, trading "on call" between a producer and a consumer country appears feasible if certain positive steps are taken.

Another important aspect of this marketing organization to which we must give serious consideration at this time is that a certain degree of flexibility must exist. This would include the following important items.

1. Arbitrage opportunities (a) with respect to foreign exchange transactions, and (b) between actual coffees of different growths, etc.

2. Straddling between foreign futures, and,

3. An opportunity to execute legitimate transshipment and currency exchange clearance commercial transactions.

Real capital assets

A brief comment would be in order here regarding the last item. The author believes trading "on call" which involves the transferring of shipment documents over several international boundaries appears to be non-workable. World trade conditions are too restrictive to permit "on call" transactions to function smoothly. Why? Some of the obstacles preventing such commercial enterprises from functioning are: (a) There exists too many chances for cable errors; (b) there would be a *delay in time* and too much "red tape" to get foreign banks and government agencies to clear these transactions efficiently; (c) the foreign exchange conversion rates can change suddenly to make these commercial transactions unprofitable; and (d) it would be practically impossible to get E/S, government agencies and foreign banks of several foreign countries to approve or loan money or make decisions regarding "on call" transactions without an actual determination of the full price having been made. In other words, it would be difficult to get them to think in terms of the "basis."

In our next article we shall attempt to give several concrete examples illustrating how trading "on call" would appear in operation between an E/S and the U.S. I/D.

Before closing, the author would like to leave a serious thought with the reader. The real capital assets of an I/D are not to be found in their capital funds or other tangibles, but in their knowledge of coffee and the coffee trade, and in knowing how to market coffee economically and efficiently and in developing good-will and confidence not only with the E/S from producing areas but with the U.S. roasters as well.

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... and the abbot who started
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